Brazeau – Drayton
Regional Collaboration Initiative

Final Report

July | 2011

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1 EXECUTIVE SUMMARY

On November 15, 2010, Brazeau County and the Town of Drayton Valley signed an Annexation Settlement Agreement and a Memorandum of Understanding outlining expectations for both municipalities to explore opportunities for regional collaboration to enhance intermunicipal cooperation and municipal sustainability. The result was the identification of four key areas of opportunities: land use planning services, economic development, recreation and culture, and water / wastewater infrastructure.

The research and exploration of these opportunities was undertaken by sub-committees, comprising senior County and Town staff and a consultant. The consultant's role was to carry out the tasks identified by the subcommittees and included exploring:

- each municipality's current services;
- the costs of delivering those services ;
- how other municipalities deliver these services;
- how each service delivery option might work within the context of the region; and
- a recommended approach to building regional capacity for increased municipal cooperation.

The next stage in this process is to develop sub-agreements outlining the details of how each of the recommendations will be implemented and managed. Each Council is requested to provide input and their support in principle for this report's recommendations, or recommend an alternate approach that could be acceptable to both municipalities.

Outline of this Report

The Executive Summary provides the subcommittee's recommendations for each of the four initiatives. The body of this report provides:

- additional information on the municipalities;
- an overview of approaches to municipal service delivery;
- an outline of cost and tax sharing approaches to finance the delivery of municipal services; and
- detailed information about each of the subcommittee's findings regarding various possible approaches to service delivery.

Clarifying Terminology

For the purposes of this report, the terms 'regional cooperation,' 'regional collaboration' and 'intermunicipal cooperation' are used interchangeably. Generally speaking, regional cooperation / collaboration may include parties beyond the municipalities, while intermunicipal cooperation refers specifically to how two or more municipalities can work together to deliver services.

1.1 Intermunicipal Cooperation as a Service Delivery Model

A number of ways exist for municipalities to produce/provide municipal services. Chief amongst them are direct public delivery (provided directly by the municipality), contracted private services, and the delivery of municipal services through intermunicipal cooperation/ regional cooperation (Warner and Hefetz, 2004).

Municipalities are increasingly turning to contracted services and intermunicipal cooperation in hopes of reducing service costs and to avoid increasing property taxes or user fees. The desire to look at private contracted services stems from the belief that private industry, motivated by profit maximization, will seek to provide the most cost-effective program. Exploration of intermunicipal service delivery is focused on the idea that even small communities can gain from economies of scale (Lavery 1999).

While service delivery by private entities was considered, the subcommittees settled on an intermunicipal approach to delivering services for economic development, recreation and culture, and land use planning. Section 4 outlines the rationale for the various recommendations.

1.2 General Recommendations

In providing these draft recommendations, consideration was given to a number of criteria used to evaluate the potential options for delivering municipal services for each of the areas of exploration. Each municipality's senior management team developed the evaluation criteria, which the subcommittees used to score the options. Left to the Chief Administrative Officers, the final criteria was the evaluation of the recommendations based on political reality. Would the recommendation, based on current realities, make sense? Did the recommendation represent a realistic, achievable step in the right direction? Or is it overly ambitious?

Both municipalities appear to view regional cooperation as a necessity in these increasingly volatile times. So while the subcommittees wanted to move quickly in exploring new opportunities, they also understood the need to make recommendations with increased cooperation in mind – moving toward increased cooperation requires deliberate, well-thought actions focused on building trust over time. The entire enterprise could be undermined if the subcommittees focused on moving quickly without first respecting the need for both municipalities to fully understand the benefits of cooperation.

> *When we try to pick out anything by itself, we find it hitched to everything else in the Universe.*
>
> *John Muir*

With this in mind, the subcommittees have adopted an approach best captured by the old adage "you need to walk before you can run." In this report, the approach is referred to as *Collaborative Autonomy*. It respects that true collaboration can only occur when both parties have mutual respect for the intrinsic and independent value of the other, while recognizing that absolute autonomy, or complete self-reliance, is in illusion a municipality cannot afford to waste its time on.

Recommendation 1. Collaborative Autonomy Choose projects, services or activities that are viewed as easy wins. These would provide tangible and visible signs to the public that the two municipalities are making progress in developing their relationship and in enhancing services in a cost effective manner.
Recommendation 2. Performance Measures Choose specific performance measures to evaluate the efficacy of the services being considered for shared or contracted delivery. Choosing specific and measurable indicators of success will provide clarity in terms of what services are being delivered and service quality.
Recommendation 3. Clarify Long-term Plans As public bodies, municipalities should be as transparent as possible regarding their plans and long-term objectives. Longer-term plans contribute to accountability and sustainability by providing a common vision, reducing duplication, and offering increased clarity on the financial impacts of projects and activities. Both municipalities should review their master planning documents to ensure they are up-to-date and reflect both parties' willingness to explore ways to reduce the costs of delivering municipal services.
Recommendation 4. Term of Sub-agreements A three-year term is recommended for the initiatives identified in this report. A three-year term will allow time for the initiatives to get beyond the planning stage and for the reasonable evaluation of results. With it falling midway in the term of new Municipal Councils, the three-year term will also permit relationship building beyond the current Municipal Councils.

1.2.1 Land Use Planning Services

The Land Use Planning Subcommittee was responsible for investigating opportunities to enhance intermunicipal cooperation in the area of land use planning services. Table 3 of this report outlines each municipality's services related to land use planning.

A municipality's planning and development function is a distinctive element of municipal government. The ways in which a municipality exercises its planning power and authority are governed by provincial legislation. Alberta's legislative framework provides municipalities with latitude in how they develop their models for delivering planning and development services; however, the reality is that little variation exists and most municipalities follow common practices in meeting their legislative requirements. As such, a regional approach to land use planning services is more dependent and influenced by the intent, vision and values of the collaborating municipalities than on the specific service delivery or governance model.

Recommendation 1. Review Current Processes and Practices Relating to Planning and Development ▪ Planning and development practices and policies do not generally differ too much between municipalities. Increasing similarity in the two municipalities' processes could enhance the customer experience for businesses and residents. Taking the time to understand each other's practices will reduce the perception of competition in how each municipality delivers the service, and the comparisons that residents or businesses may make to attempt to leverage benefits for themselves.
Recommendation 2. Update Master Plan Documents.
Recommendation 3. Hire Compliance Officer / Development Officer.
Recommendation 4. Review the use of planning and development software for the development of permits and other planning processes.
Recommendation 5. Review contracted consulting services to determine opportunities for increased collaboration and to reduce overall contracting costs.
Recommendation 6. Monthly meeting of the planning directors to share information on growth and development-related issues.
Recommendation 7. GIS Services.
Recommendation 8. Compliance Officer.
Recommendation 9. Safety Codes.

1.2.2 Economic Development Services

Economic development refers to a range of activities intended to attract, create or retain private sector jobs in a given geographic area. These activities may involve the use of public and private funds for area infrastructure investments, business financing assistance, the analysis of regional assets, and attributes in the establishment of economic plans and strategies.

Grant & Hall, 1998

Recommendation 1. The County and Town enter into an agreement whereby the Town would purchase economic development services from the County: Business Retention — Strategic Partnerships Administration — Reporting Start-up — Business Attraction Marketing and Promotion
Recommendation 2. Create better link between planning documents and economic development strategy.
Recommendation 3. Shared vision between the County and the Town.
Recommendation 4. Regional Branding .
Recommendation 5. Continue to have the Bio-Mile project governed by the Bio-ARCC Board, but take steps to co-house the Bio-Mile project and a Regional Economic Development Authority. Have the Bio-Mile project repositioned as a 'regional initiative,' rather than just a Town initiative.
Recommendation 6. Develop a set of performance measures for economic development programs.

1.2.3 Recreation and Culture Services

The Recreation Subcommittee is responsible for investigating opportunities to enhance regional collaboration in the area of recreation. The subcommittee must report back to the Implementation Committee on three core activities related to recreation services, programs and assets: service delivery, governance modeling, and fiscal sustainability

Recommendation 1. Hire a Regional Recreation Director to assist in providing services as outlined in the Recreation and Culture Section.
Recommendation 2. Adopt the recommendation identifying a cost sharing formula for regional recreation and cultural facilities, which is based on usage statistics using the residence of the student population attending school in Drayton Valley.

2 MUNICIPAL POPULATION INFORMATION

This section provides background information on each municipality in relation to demographics and municipal profile, as provided by Alberta Municipal Affairs. The information is provided to prepare some comparisons between the two municipalities, as well as a sense of the population growth and related demands that the municipalities would experience.

The population information is based on information prepared by Application Management Consultants in September of 2010, titled Drayton Valley / Brazeau County Population and Employment Forecasts ("Applications Report"). The report is an excellent source of information and the rationale for the population forecasting is clearly laid out.

The Municipal Profile information is based on information compiled by Municipal Affairs for the 2009 year.

2.1 Population Information

2.1.1 Historical Population Growth

Figure 1 and 2 below are taken from the Application Management Report. Figure 1 outlines the official population of Drayton Valley from 1956 to 2006, and Brazeau County from 1988 to 2006. Figure 2 is a graph of the historical population growth based on average annual rates for five-year periods.

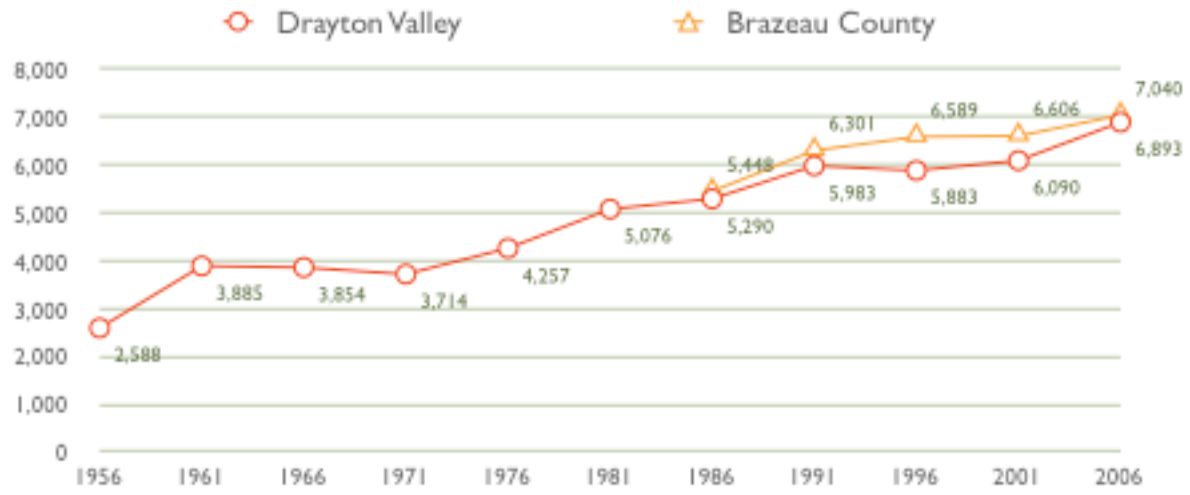


Figure 1 Historical Population - Town of Drayton Valley and Brazeau County [1]

[1] The 1988 population figure for Brazeau County has been shown in the figure as 1986.

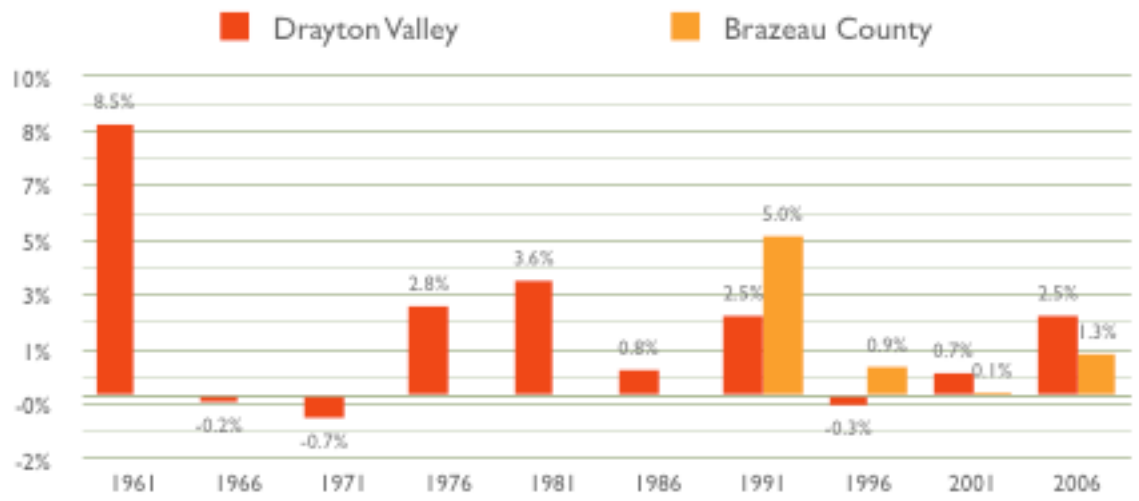


Figure 2 Historical Population Growth for the Town of Drayton Valley and Brazeau County

From 2001 to 2006, the Town of Drayton Valley grew by 2.5 per cent on average, while Brazeau County grew by 1.3 per cent.

The Applications Report found that the Town's population declines closely following the trend of oil prices and forest industry indices. For Brazeau County, the Applications Report identifies that the "fluctuations in growth match the fluctuations of the four major industries."

2.1.2 Population Projections

The Applications Reports uses a Population Forecasting Model to provide population projections for the Town and County for 30-year and 50-year time horizons based on two scenarios, a "Base Scenario" and a "High Scenario." The figures below graph the population projections for the Base and High Scenario, as well as a linear projection based on the population trend from 1956 to 2006 for the Town, and 1998 to 2006 for the County.

Town of Drayton Valley

In the Base Scenario, the Town's population would grow from 7,137 in 2009 to 10, 679 in 2039 and to 12,924 in 2059. The average population growth rate would be 1.4 per cent for the first 30-year period, and 1.2 per cent over the 50-year time horizon.

The High Scenario projects a Town population of 14,000 in 2039 and 19,362 in 2059. The average population growth rate is 2.3 per cent for the first 30 years and 2.0 per cent over the 50 year time horizon.

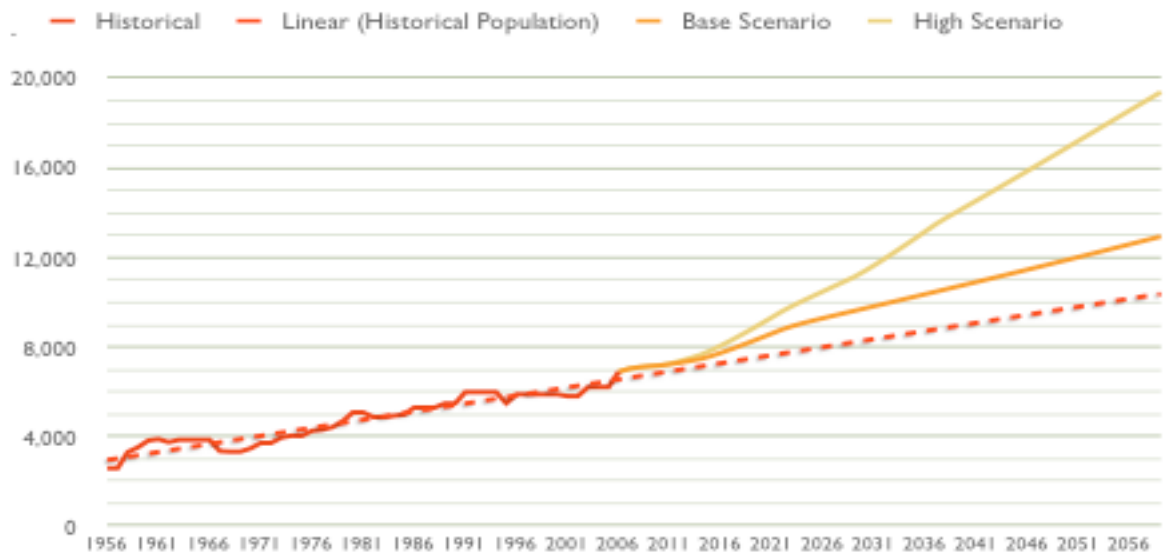


Figure 3 Population Projections for the Town of Drayton Valley

Brazeau County

In the Base Scenario, Brazeau County's population is projected to grow to 9,836 by 2039 and reach 11,763 in 2059. Over the 50-year forecast period, the projected average annual growth rate for Brazeau County is estimated to be 0.96 per cent. In the High Scenario, Brazeau County's population is projected to grow to 11,273 by 2039 and to 14,553 in 2059. This reflects an average annual growth rate of 1.4 per cent over the 50-year forecast period.

For comparison, the figure also displays a linear projection of Brazeau County population until 2059 based on the growth trend the County has experienced from 1988 to 2009. Based on this trend-line, the population of Brazeau County is projected to grow to 11,282 in 2059. As with the Town, the Base and High Scenario projections are higher population than the linear projection of historical population growth.

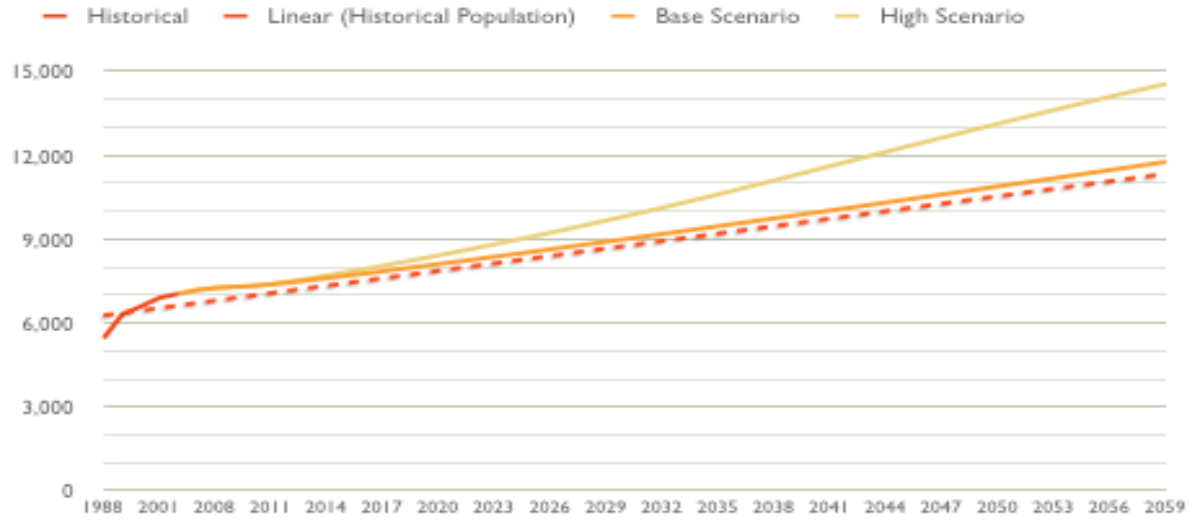


Figure 4 Population Projections for Brazeau County

3 APPROACHES TO DELIVERY OF MUNICIPAL SERVICES

3.1 Direct Delivery of Municipal Services

In this approach, the municipality takes responsibility for the production and delivery of a municipal service. The direct service delivery model is the predominant approach to municipal service delivery.

This model's advantages are that the municipality retains a high degree of control over what is produced, the quality of the service, and how and when it is delivered. Additionally, residents have a clear understanding of who is accountable and responsible for the delivery of the service. This approach typically provides residents with a greater ability to influence the product and its delivery versus as privatization or intermunicipal cooperation approach.

The disadvantages of this approach is that, without competition, elected officials and residents are left wondering if services are being delivered effectively and cost efficiently.

Whether this is seen as an advantage or a disadvantage may depend on perspective, but this approach is the most susceptible to influence by special interest groups, lobbying elected officials for changes relating to a specific municipal service.

3.2 Privatization

Some municipalities have contracted out the delivery of municipal services to private for-profit corporations. This form of municipal service delivery is the second most common approach for municipalities in the US. The increased use of privatization is based on an approach that the profit motive will influence a service provider to deliver a service in the most cost-effective manner possible in order to maximize their profit.

Brown and Potoski in *Transaction Costs and Contracting: The Practitioner Perspective*, state that:

> *Contracting for public service delivery has tremendous promise for improving the quality and efficiency of government performance. At the same time, contracting carries substantial risk for waste, fraud, and poor service. In the contracting process, public managers must decide whether a service is appropriate for contracting, select a suitable vendor, and still manage the service delivery process to some degree after the contract has been let. The complexity of these tasks may partially explain the uneven success contracting has had in delivering on its promises (Boyne, 1998; Hirsch, 1995; Lavery, 1999)…*
>
> *The costs of negotiating, implementing, monitoring, and enforcing contracts are higher when services have outcomes that are difficult to measure and when services require asset-specific investments that increase the likelihood of monopoly market.*

For example, social services tend to have outcomes that are difficult to measure and, as a result, are more difficult to contract out. On the other hand, refuse collection is a service that is much easier to measure and, therefore, more amenable to contracting out.

Brown and Potoski explain asset-specificity:

> *Asset-specificity is an important reason why markets may turn uncompetitive, because assets that require large specialized investments and are difficult to adapt to other uses are likely to have few vendors. The problem is exacerbated when the government is the only buyer of the service. In these instances, organizations that have made specialized investments cannot acquire necessary resources by shopping their services elsewhere.*

These points should be taken into account when considering contracting out services to the private sector.

Examples of privatized municipal services were reviewed for each of the four key initiatives.

3.3 Intermunicipal Cooperation

Intermunicipal cooperation is one of several approaches that municipalities consider for the delivery of municipal services. Direct public production of municipal services, privatization (contracting out), and intermunicipal cooperation are the top three most common forms for the production of public services (Warner and Hefetz 2004) in the US.

The *Inter-municipal Cooperation Toolkit Manual*, prepared by the United Nations Development Program (UNDP), the Council of Europe, and the Local Government Initiative of the Open Society, defines intermunicipal cooperation as a process where:

> *two or more municipalities agree to work together on any of the tasks assigned to them in order to gain mutual benefits.*

In *Intermunicipal Cooperation in the U.S.: A Regional Governance Solution,* Warner states:

> *One advantage of cooperation is that local governments can obtain economies of scale even if they are small (Ferris and Frady 1991, Morgan and Hirlinger 1991, Lavery 1999). The government retains public control over service delivery, and communities retain their local identity (Morgan and England 1998, Warner and Hebdon 2001). Compared to political consolidation where local identity can be subsumed, cooperation is a more highly favoured alternative. Privatization (contracting out) would be another alternative but in this case control is transferred to the private sector and privatization requires a market of private providers that is not always present, especially in rural areas (Kodryzski 1994, Warner and Hefetz 2003).*

The Toolkit identifies characteristics of intermunicipal cooperation:

- *IMC is about two or – more typically – several municipalities working together.*
- *By cooperating, partner municipalities agree to work together at some cost to produce new benefits for each of them that would be unavailable through isolated and unilateral action.*
- *The joint effort may concern one or several domains falling within the legal competence of the municipalities.*
- *Cooperation has a cost for each partner municipality: it needs effort, financial contributions and sharing resources (staff, land, machines, buildings, etc.).*
- *IMC is the result of a deliberate decision and not just the mechanical implementation of a legal provision. Agreement is voluntary, rather than imposed by the law, although the law may sometimes strongly encourage or even oblige municipalities to look for co-operative solutions.*
- *New gains for the partner municipalities may have different characteristics, such as: creating the capacity to provide services which cannot be delivered by a small municipality, saving on costs of service delivery, improving service quality, better coordination in development planning, more efficient and visible development policy.*
- *Cooperation is not incidental; it has certain duration and is most often a permanent arrangement with an undefined expiry date.*
- *There is no permanent transfer of local tasks or competencies; municipalities keep indirect control over the decisions and services that result from cooperation.*

In reviewing the four areas of exploration, the subcommittees settled on intermunicipal cooperation as an approach to the delivery of services in economic development, recreation and culture, and land use planning.

The conclusions of the subcommittees mirrored conclusions found in academic papers such as

> *Rural development experts recommend cooperation as the preferred approach to rural service delivery (Korsching et al 1992). Cooperation provides economies of scale and a broader basis for additional forms of collaboration. It can lead to multi-functional cooperation that addresses economic development, land use planning, social equilibrium and political participation (Cadaval 2006)....If rural areas cannot compete well in a more competitive local government system, they are going to cease to have the capacity to invest in services fundamental to future economic development and the long term fiscal health of the rural municipality.*

3.4 Approaches to Intermunicipal Cooperation

Intermunicipal cooperation can take a variety of forms. Some of the models identified through this exploration are provided in Appendix A.

The possible approaches include: Joint Ownership, Regional Services Commission, Part 9 Company, Society, and For-Profit Corporation. How they operate and their enacting legislation is also provided in Appendix A.

3.5 Evaluating Intermunicipal Cooperation

Enid Slack, in a report entitled *Inter-Municipal Cooperation: Sharing of Expenditures and Revenues*, prepared for the Intergovernmental Committee on Urban and Regional Research (ICURR), has suggested four criteria for evaluating intermunicipal cooperation:

- ***Equity:*** Costs and benefits should be shared fairly across the community. In terms of the ability to pay criterion, this means that individuals should pay for government goods and services according to their ability. The benefits-received criterion says that individuals should pay for public services according to the benefits they receive from the service.
- ***Efficiency:*** The services delivered should achieve the maximum value with the available resources. Resources should be used to produce the goods and services that are desired by consumers at least cost. Resources should not be wasted.
- ***Cost-effectiveness:*** The service should be provided at the least cost.
- ***Accountability:*** Consumers and taxpayers should know who can be held accountable for service provision and the taxes or user charges they pay for these services. The service delivery agent needs to be accountable and responsive to consumers and taxpayers. One aspect of accountability is simplicity: the way in which public services are financed needs to be simple and transparent so that it is understandable to consumers.

Slack recognizes the trade-offs that exist in both a tax sharing system and an expenditure sharing system. In a tax sharing system, equity is the primary rationale where the costs of delivering a public service are intended to be shared fairly among all recipients. Critics of tax sharing often cite that this approach is tantamount to "taxation without representation." Residents of the jurisdiction contributing their portion of taxes for the service have no direct method of holding accountable the elected officials representing the municipality delivering the service.

3.6 General Overview of Municipal Service Financing Models

Table 1 below is taken from the AAMDC Report entitled, *Cost Sharing Works: An Examination of Cooperative Financing, November 2010.*

Cost and Incremental Tax Sharing	Sharing the cost of infrastructure and proportionate amount of tax revenue. Creation of new tax base as opposed to redistribution of current tax base.
Benefit Based – Cost Sharing	Those who benefit from a service pay for that service. Most common form of cooperative financing. Can be complex or simple. May involve one of the models already discussed or just a purchase of services.
Tax Sharing	Tax – Sharing in Transition: generally specific time frame meant to address the loss of revenue when a municipality has undergone annexation. Tax – Sharing as Compensation: Typically larger rural municipality with significant non-residential assessment base sharing tax dollars to the urban to offset costs of providing residential services. Tax Sharing as Wealth Sharing: Some form of reallocation of wealth not necessarily tied to costs for a related service, but on the belief that there greater equity if regional tax revenue is shared to support urban services.

Table 1 Possible Models for Financing of Municipal Services

The recommendation for financing of regional services in this report would be considered a benefit based – cost sharing approach.

4 INITIATIVES EXPLORATION

The Annexation Settlement Agreement and Memorandum of Understanding set out an expectation that, by June 30, 2011, the exploration of the four initiatives with plans presented to both Councils would be completed, and that subsequent Council approval would occur. The June 30th deadline will be achieved for three of the four initiatives. It is anticipated that the final recommendations for water / wastewater infrastructure will be completed by the end of August 2011.

The purpose of this section is to outline the exploration that took place in relation to land use planning services, economic development, and recreation and culture, and the subsequent recommendations for each.

The information below outlines:

- The services offered by the two municipalities for each of the initiatives;
- The current costs associated with the delivery of the services;
- Approaches to service delivery used by other municipalities provincially, nationally and beyond Canada;
- The evaluation carried out by the subcommittees of for each of the approaches to service delivery;
- Recommendations of the subcommittees in relation to the services to be provided on a regional basis; and
- Recommendation for the financing of services.

4.1 Evaluating Criteria

All options were filtered through an evaluation matrix created by the senior management teams of both municipalities. Each subcommittee has reviewed the Evaluation Criteria and determined whether the weighting needs to be adjusted to reflect the context of each service.

Evaluation Criteria	Clarifying the Criteria
Public Engagement	This criteria relates to the degree of opportunity provided to the public and various stakeholders for meaningful input into decision-making processes.
Regional Balance	This criteria relates to the degree that the model supports fairness and equity in relation to meeting the needs of the various parties, the distribution of costs and workloads, and the benefit to the region's citizens and taxpayers. The criteria also relates to the extent that the model supports collaborative planning and implementation.
Council Control	This criteria relates to the degree that the model provides Council control in decision-making.
Accountability & Transparency	This criteria relates to the degree that the model allows for the public to hold elected officials accountable for decisions, either through an election process or other mechanism. The criteria also relates to the framework in which decisions are made, the level of public scrutiny available, and the public sense that decisions are made in the best interest of citizens.

Quality Service	This criteria relates to the degree that the public would perceive that a high-quality service is being provided and the ability to measure services against objective standards. The criteria also relates to how efficiently, effectively, and consistently services are provided and if they are streamlined enough to make them accessible and easy to navigate for citizens.
Sustainability & Adaptability	This criteria relates to the degree that the model is seen to support sustainability in relation to financial measures and environmental impacts. The criteria also relates to the model's adaptability into technological changes, innovative new ideas, or leadership.
Cost-effective	This criteria relates to the extent that the model is seen to be cost-effective in relation to operating and capital requirements.

Table 2 Evaluation Criteria

4.2 Land Use Planning Services

Arguably, land use planning services are the defining characteristic of a municipality. Decisions made in relation to planning services and activities have impacts on a community for decades, if not longer. While there is a great deal of autonomy in the land use decisions of a municipality, the framework of the *Municipal Government Act* does provide regulations that must be followed.

The subcommittee explored a number of options for a regional approach to land use planning services and finally settled on an option that respects the autonomy of each municipality and recognizes the unique character of each as a rural or urban municipality, while still opening the door for collaboration. Each municipality would retain independent planning functions while working to create consistency in process, language and approach to land use planning services, and adding a joint safety codes program and compliance officer to the services offered.

While each municipality, for example, would retain their own development permit processing, they would work together to ensure that a common language is used for the underlying land use bylaw. This effort would reduce confusion among residents, builders and developers working with both municipalities. An effort of this nature may also reduce opportunities for individuals to attempt to pit the two municipalities against each other by suggesting real or perceived differences in process between the two.

The model recommended by the subcommittee is being called Collaborative Autonomy. Two municipalities working within their own autonomous spheres to provide planning services, while recognizing that the decision of one may impact the activities of the other. This would also mean working collaboratively to create complementary planning documents that are consistent in their language and general approach.

4.2.1 Current Services Provided by Brazeau County and Drayton Valley

Appendix B contains information about the services and activities currently undertaken by each municipality. The approach recommended here suggests each of the activities below continue to function as they currently do.

Services Provided by Planning & Development Department	Drayton Valley	Brazeau County
▪ Processing and approval of development permits	✓	✓
▪ Approval and review of planning documents and their amendments (MDP, ASP, LUB)	✓	✓
▪ Subdivision applications review and approvals	✓	✓*
▪ Issuing of compliance certificates	✓	✓
▪ Addressing subdivision appeals	✓	✓*
▪ Addressing issues related to development enforcement	✓	✓
▪ Dealing with municipal lands and surface leases	✓	✓
▪ Production of GIS Maps, etc.		
▪ Title searches and dealing with caveats, easements, and agreements	✓	✓
▪ Miscellaneous front counter services	✓	✓
▪ Business licensing		✓
* These items are provided through contract services.		

Table 3 Current Services Provide by the County and the Town in Relation to Land Use Planning

Both municipalities use contracted services to varying degrees. The Town of Drayton Valley utilizes contracted services for the review and approval of subdivisions.

4.2.2 Cost of Delivering Services

Most Planning and Development functions provided by a municipality are typically provided on a cost neutral or even revenue generation basis. Some municipalities do, however, consider the subsidization of development fees related to planning and development services as a way of promoting and attracting development. This seems to be the approach taken by Brazeau County. Whether the approach achieves its desired outcome is unclear, but the Council remains well within its rights to make such policy decisions.

Brazeau County

According to information obtained for 2010, the Planning and Development Department's main sources of funding are tax revenue and fees-for-services. The budgeted expenditures for 2011 are $452,726 and revenues are budgeted at $127,250. The department had an operating deficit of $325,476. The three largest expense functions are: development permits, statutory plan amendments, and subdivisions.

Town of Drayton Valley

According to information obtained for 2010, the Planning and Development Department had revenues of $369,933. The total expenditures in 2010 for the department were $229,438. The department had a revenue surplus of $132,495.

4.2.3 Approaches to Service Delivery for Land Use Planning

All the options below are viable options. Whether they can work in the Brazeau – Drayton Valley region is a question the two municipalities need to address.

The advantages and disadvantages of the various options are outlined in Table 4. It should be understood that, within each option, a multitude of variations are possible. As such, the evaluation of these options is based on generalizations about how they operate.

Options	Advantages	Disadvantages
Regional Services Commission / Regional District	▪ Governance has a more formalized structure for collaboration ▪ Multi-municipal board may increase dialogue between municipalities on planning issues ▪ Provide services that one specific municipality may not be able to provide on their own ▪ The increased diversity of work and volume of work may make it easier to attract qualified staff	▪ May give a sense that the municipality has "outsourced" development decision-making ▪ Depending on how the commission or district operates, it could be seen as an additional level of bureaucracy
Regional Government	▪ Regional considerations are considered in planning decisions ▪ Often have the power to generate own revenues either through the tax base or on fee-for-service basis ▪ Multi-municipal board may increase dialogue between municipalities on planning issues ▪ Provide services that one specific municipality may not be able to provide on their own ▪ The increased diversity of work and volume of work may make it easier to attract qualified staff	▪ Creates another level of government with its own processes and bureaucracy ▪ Council positions on a regional body are often appointed and not directly elected, possibly making them appear as less accountable to the electorate ▪ May give a sense that the municipality does not have control of planning and development decisions within its own boundaries and can create conflict between local needs versus regional needs
Contracted Services to Private Corporations	▪ Creates greatest incentive for finding cost-efficiencies and generating revenues ▪ May increase quality of service if performance measures are clearly captured in the contract	▪ Scope of some planning functions may be difficult to capture within a performance contract ▪ May reduce quality of service if profit, for example, is basing

	▪ May be easier to deal with evolving human resources needs if the municipality is not directly responsible for employment issues ▪ Increased access to specialized professionals on a fee-for-service basis ▪ Makes the most sense when purchasing routine and repetitive tasks or services with minimal need to use individual discretion	a contract on volumes of permits processed ▪ Will likely increase overall costs of providing planning and development services ▪ Difficult to manage a contract in a fluid political environment with changing priorities and planning philosophies ▪ May lead to reduced interdepartmental cooperation ▪ Company may be perceived as less concerned with the well-being of the community compared to employees directly hired by a municipality
Collaborative Autonomy	▪ Recognizes that each municipality is unique in character ▪ Each municipality retains planning functions while working to create consistency in process and policy ▪ Seeks opportunities to share services ▪ Seeks opportunities to initiate new joint programs ▪ Does not create a new level of management or governance	▪ May not be seen as truly collaborative and taking advantage of the opportunity to create a one-stop shop for all planning related services in the region

Table 4 Land Use Planning Service Delivery Options

4.2.4 What We Heard from the Joint Council Meeting

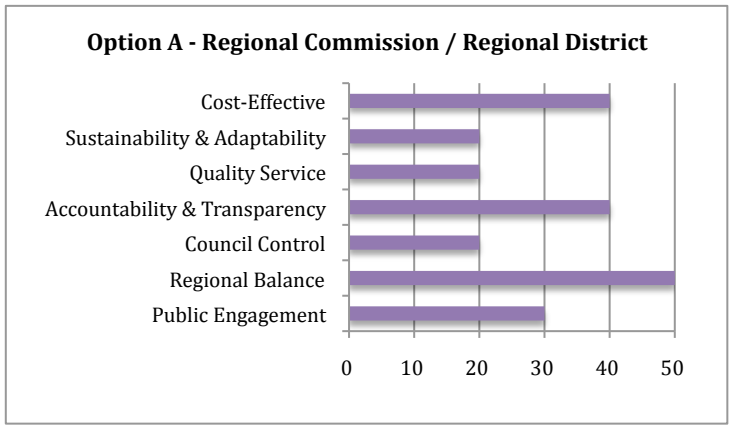
On March 11th, 2011, the Municipal Councils of Brazeau County and Drayton Valley held a joint Council meeting. Appendix C outlines some of the comments heard regarding a vision for how collaboration could take place, what barriers might exist, and how those barriers could be overcome. Some of the comments recognized the importance of respecting the unique characteristics of rural and urban municipalities, while also understanding that collaboration can create efficiencies in service delivery, enhance the quality of the services, and provide an easier way to navigate process for business owners, builders and developers.

4.2.5 Evaluating the Options

For the purpose of land use planning services, it was determined that each criteria would be weighted equally. This conclusion was based on several factors, including: the impact of legislation; Council and public expectations; the external environmental influences on land use planning in general; and demands on services in particular. These expectations and demands seem to impact each of the evaluation criteria equally. For example, land use services must be cost-effective if development is going to occur within the municipality, but this criteria is not

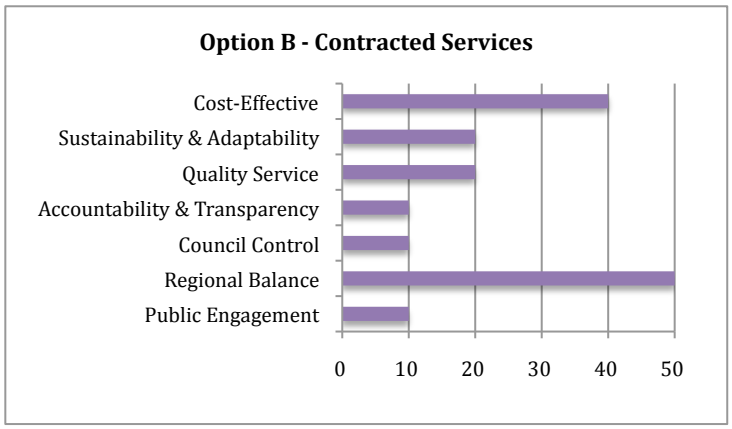
more important than public engagement because the *Municipal Government Act* demands it for a number of planning processes.

Option A – Regional Commission / District



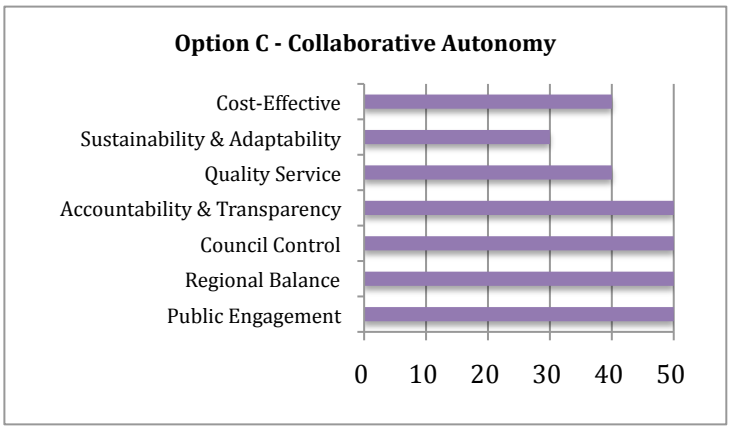
Rationale: Regional balance was scored high in this model, as it was seen to best distribute the cost and resources required to effectively serve the region. Accountability and transparency were rated higher on the basis that board members would be making decisions in the best interest of the region and not just their ward or municipality. Quality of service, and sustainability and adaptability were marked lower based on a sense that a regional entity may be slower to respond to a change in needs and direction than a single municipality might be. The model was seen as cost-effective as resources could be pooled and only those services required would be paid for on a fee-for-service basis.

Option B – Contracted Services



Rationale: This model was seen to have a high level of regional balance as costs of services would directly relate to volume of work required by a municipality. Cost-effectiveness scored high as the profit-motive would create an incentive to reduce costs and increase opportunities for revenue generation through services provided. The remaining criteria were marked low on the assumption that the primary focus of a contracted supplier is to generate profit and fulfill the requirements of the contract at the least possible cost. While accountability may be achieved from the contractor if there are non-performance issues the incentive to focus on innovation through sustainability and adaptability to environmental changes was seen as low.

Option C – Collaborative Autonomy



Rationale: This model is considered the most sensible for the Brazeau – Drayton Region. By focusing on areas of collaboration, such as safety codes, where there is potential for revenue and for which there can be very little room for discretionary decisions, the two municipalities can reduce costs and still preserve a high degree of autonomy. While planning processes are generally the same throughout the province, philosophies differ, especially in relation to urban and rural municipalities. This model looks to create consistency in process, so that developers and builders can easily move from one municipality to another, while respecting that each municipality has its own philosophical framework for development.

4.2.6 Recommendations

The subcommittee believes that further exploration of the services below and action on the activities listed will yield positive results for the region.

Recommendations Relating to Services and Activities

Services	BZ	DV
GIS Services		✓
Compliance Officer	✓	✓
Safety Codes	✓	✓
Activities		
Creating consistency in the language and approach of higher level planning documents between the Town and the County.	✓	✓
Review of planning processes and procedures to identify opportunities to create consistency and adopt best practises.	✓	✓
Review of the use planning and development software for development permits and other planning processes.	✓	✓
Review of contracted consulting services to determine opportunities to increase collaboration and reduce overall contracting costs.	✓	✓
Monthly meeting of the planning directors to share information on growth and issues relating to development.	✓	✓
BZ: Brazeau County / DV: Drayton Valley		

Table 5 Recommended Services and Activities for Land Use Planning Services

Recommendations Relating to Management and Financing of LUP Services

Table 6 outlines the services being recommended for collaboration, who would manage the service and the potential financing of the service.

Services for Collaboration	Management	Financial Model
GIS Services	County	Hourly Rate
Compliance Officer	County	50/50 Cost Sharing and Fine Revenue
Safety Codes	Town/County	Permit Fee Offset
Opportunities and Challenges		
GIS Services	**Compliance Officer**	**Safety Codes**
• Increased cooperation and sharing of resources.	• Increased enforcement of development	• Increased control of enforcement. • Better information

• Challenges may include the ability of the County to respond to the Town's needs when it has demands on its services.	standards. • Increased development services.	sharing and enhanced services to residents.

Table 6 Recommendations Relating to Management and Financing of Services for Land Use Planning

Sub-agreements

Should there be agreement in principle to the recommendations relating to Land Use Planning, the next step would be to outline in the sub-agreements issues such as term of the agreement, delivery expectations, and, most importantly, performance measures.

4.3 Economic Development

The following definition of economic development was recommended by the consultants working with the Economic Development Subcommittee.

> *Economic development refers to a range of activities intended to attract, create, or retain private sector jobs in a given geographic area. These activities may involve the use of public and private funds for area infrastructure investments, business financing assistance, the analysis of regional assets and attributes in the establishment of economic plans and strategies.*
>
> *Grant & Hall, 1998*

4.3.1 Current Services Provided by Brazeau County and Drayton Valley

The following is a list of services provided by the two municipalities, as identified in the ParioPlan report for the Economic Development Subcommittee.

Type of Activity	Town of Drayton Valley	Brazeau County
Strategic Planning	▪ Town of Drayton Valley Economic Development Plan, 2006 ▪ Brazeau County & Drayton Valley Business Plan (for Brazeau Regional Tourism Committee, May 13, 2008) ▪ Town of Drayton Valley Directions: A Discussion Paper on Economic Development, May 1991	▪ Brazeau Regional Tourism Plan (being adopted March 2011) ▪ Draft Economic Development Strategic Plan 2011-2014 (August 10,2010) ▪ Brazeau County & Drayton Valley Business Plan (for Brazeau Regional Tourism Committees), May 13, 2008
Business Recruitment	▪ Goal #5 – Pursue targeted economic development opportunities ▪ Bio-Mile Initiative (e.g. TTS Inc. Fibre Manufacturing Plant) ▪ Drayton Valley Economic Profile ▪ BIO-ARCC Part 9 Company	**Business Attraction / Industry Diversification Strategy** ▪ Emerging industry attraction limited to Bio-Mile Initiative ▪ Agriculture – 100km Kitchen Party Project ▪ Economic Development package
Business Retention and Support	▪ Establishment of a Trade School in Drayton Valley ▪ Business incubator	**Business Retention Strategy** • Business Visitation / Import Replacement Program (BVP) o We Love our Business Program o Ambassador Program o Hosting workshops (e.g. Family Business Succession Planning)
Marketing and Image Building (Branding)	▪ Goal #2 – Have an effective marketing plan for the community ▪ Drayton Valley Website ▪ Drayton Valley Economic Profile ▪ Step Up to Tourism Program	**Tourism Marketing** ▪ The Country Pleasures and Treasures Driving Tour ▪ 100k Kitchen Party ▪ Brazeau Investment Opportunities

		Communications ▪ Maintain effective communications with residents and businesses in the County, Town of Drayton Valley, Village of Breton and other stakeholders ▪ Brazeau Newsletter and public relations
Building Supporting Infrastructure		
Entrepreneurial Support	▪ Bio-Mile – BIO-ARCC (Bio-Economy Incubator Office for Applied Research and Commercial Centre) received $1 million for a two (2) year period from Rural Alberta's Development Fund to assist with business incubation and commercialization, provide opportunities for applied research, and coordinate a training and skills development program responding to industry needs	**Tourism** ▪ Stepping up to Tourism ▪ Tourism Shelf-Ready Opportunities ▪ Brazeau Business Newsletter ▪ Workshops and Courses ▪ Referral Network
Facilitating / Convening / Brokering	▪ Goal #3 – Build and maintain effective relationships with government, community, and business leaders to secure the interests of the community ▪ Goal #4 – Pursue high priority infrastructure projects to facilitate economic development ▪ Bio-Mile Initiative partnerships ▪ Partnerships with Grande Alberta Economic Region, Community Futures, Travel Alberta, Parks Council (Eagle Point-Blue Rapids)	**Strategic Partnerships** ▪ Foster partnerships with Grande Alberta Economic Region; Brazeau Regional Tourism, Town of Drayton Valley and Bio-Mile Initiative, Community Futures, and key provincial and federal departments that could help further Brazeau County's economic development agenda . ▪ Facilitating partnerships with Alberta Sustainable Resource and Tourism, Parks and Recreation for Brazeau Commercial Node Development.
Development Packaging	▪ Goal #6 – Maximize Drayton Valley's geographic advantage ▪ Bio-Mile Initiative (e.g. establishment of BIO-ARCC) ▪ Development of affordable housing ▪ Development of a Co-Generation Plant in Drayton Valley	▪ Developed 5 Tourism Operator packages that include information on business plans, development and zoning.
Technical Assistance		**Community Sustainability Initiative** ▪ Community development supports for opportunity building for rural hamlets and community organizations in Brazeau County .
Other	▪ Goal #1 – Lobby other levels of government to improve revenue generation and reduce dependency on property taxes ▪ Creation of a Social Development Plan ▪ Reallocation of fuel tax	

Table 7 Economic Development Activities Undertaken By Brazeau County and Drayton Valley

4.3.2 Cost of Delivering Services

The contributions of each municipality towards the costs of implementing their economic development program are provided below.

Brazeau County

The 2011 Operating Budget identifies $508,537 in operating expenses for economic development. This figure includes all staffing costs, as well as program delivery costs.

Town of Drayton Valley

The Town's budget for economic development is $123,000. This does not include the $150,000 commitment, in cash and or in kind, to the Bio-ARCC initiative. The Bio-ARCC received a $2 million dollar grant over two years from the Rural Alberta Development Fund to explore opportunities relating to the use of biomass in the creation of alternative energy sources and products.

4.3.3 Approaches to Service Delivery for Economic Development

It should be noted that each of the models explored by the subcommittee do exist and are considered successful by the municipalities using them.

ParioPlan reviewed five multi-jurisdictional economic development entities. Information relating to each of the entities is provided in Appendix D. From the ParioPlan Report, the following recommendation is provided for a service delivery model:

> *From the economic development organizations surveyed, it appears that creating an arm's length non-profit development corporation or authority governed by a Board of Directors with representation from the public and private sector is an effective model. Having a shared vision for the sub-region and a strategic plan everyone buys into is another important prerequisite. A vision building session with the two (2) municipal Councils, Chamber of Commerce, downtown organization and regional stakeholders is a good starting point. Quality of life issues are intricately tied to economic development.*
>
> *Engaging the private sector is also important in ensuring ownership, enlisting volunteers (e.g. Ambassador Programs) and as possible sources of sponsorship and financial support. Although some economic development organizations also have a responsibility for tourism, the tourism marketing function for existing attractions and facilities is usually carried out through a different organizational structure as tourism usually caters to a different target market and client group. Logically the implementation of Tourism Development Packages is a business attraction function and should be carried out by an economic development agency.*
>
> *Lastly, there are no quick fixes, so patience is required for economic development programs to achieve results.*

4.3.4 What we heard from the Joint Council Meeting

On March 11th, 2011, the Municipal Councils of Brazeau County and Drayton Valley held a joint Council meeting. Appendix C outlines some of the comments heard regarding a vision for how collaboration could take place, what barriers might exist, and how those barriers could be overcome. Some of the comments recognized the importance of respecting the unique characteristics of rural and urban municipalities, while also understanding that collaboration can create efficiencies in service delivery, enhance the quality of the services, and provide an easier way to navigate process for business owners, builders and developers.

4.3.5 Evaluating the Options

ParioPlan created their own criteria to assess the status quo in municipal service delivery and the creation of a regional economic development authority. The evaluation is provided in Table 4 below.

Evaluation Criteria	Status Quo	Economic Development Authority
Competitiveness	▪ Potential for County and Town to compete with each other in industry and investment attraction.	▪ Better positioned to compete with other cities, towns and regions in Alberta and further afield. ▪ Site selectors are looking at regions rather than individual municipalities in making their location decisions.
Economics	▪ Potential of duplication of services and efforts resulting in higher costs.	▪ Pooling resources can save money and avoid duplication of efforts. ▪ Potential for shared office space, machinery, staff, website, etc. ▪ Potential for achieving synergies and better service delivery.
Effectiveness	▪ Separate efforts and potentially inconsistent messages in marketing the individual municipalities. ▪ Inconvenience for clients interested in locating in the region having to visit two separate economic development offices. ▪ Loss of synergies by not having economic development staff co-housed.	▪ Better potential for implementing a 'one window' approach to service delivery. ▪ Potential for 'branding' and 'image building' as a region rather than two (2) individual municipalities. ▪ Better opportunities for expansion of programs by pooling resources.

Efficiencies	▪ Low level of communication and interactions. ▪ Higher overhead and administrative costs (telephones, website etc.).	▪ Being co-housed provides better opportunities for synergies and interaction among staff and clients. ▪ Less time can be spent in administrative functions and more time on program delivery.
Community Engagement / Partnerships	▪ Loss of autonomy and delegation by Municipal Council decision-making.	▪ Better opportunities to engage stakeholders and community through representation on boards and committees. ▪ More opportunities to leverage cash and in-kind contributions from industry and non-profits. ▪ Better community outreach. ▪ Competing political interests could be mitigated in decision-making.

Table 8 Evaluation of Economic Development Options for Brazeau County and Drayton Valley

4.3.6 Recommendations

Notwithstanding ParioPlan's recommendation to establish a regional economic development authority, the recommendation from the Chief Administrative Officers, in consultation with the subcommittee, is for the creation of a fee-for-service or buy-sell agreement where the Town would purchase certain economic development services from the County.

SERVICES FOR COLLABORATION	MANAGEMENT	FINANCIAL MODEL
Business Retention	County	50/50 Cost Sharing
Business Attraction	County	50/50 Cost Sharing
Marketing and Promotion	County	50/50 Cost Sharing
Strategic Partnerships	County	50/50 Cost Sharing
Administration	County	50/50 Cost Sharing
Reporting	County	50/50 Cost Sharing
Start-Up	County	50/50 Cost Sharing

Based on feedback from the two Municipal Councils, a number of concerns have arisen from this model. One point of contention is the fact that the Bio-Mile / Bio-ARCC initiative has not been included as part of the partnership proposal. On the other side, there is some concern regarding the possibility that the Town may not have a significant influence on the direction of economic development for the region.

The proposal was put forward in recognition of the significant resources the County has put into economic development and the sense that, by cost sharing, the Town would gain in economic development related activities while not having to invest the kind of dollars the County has expended over the last number of years.

Additional Recommendations

ParioPlan has outlined a number of other recommendations in their report including:

- Better link between land use planning documents and economic development strategic plans.
- Shared vision between the County and the Town.
- Regional branding.
- Continue to have the Bio-Mile project governed by the Bio-ARCC Board but take steps to co-house the Bio-Mile project and a Regional Economic Development Authority. Have the Bio-Mile project repositioned as a 'regional initiative' rather than just a Town initiative.
- Develop set of performance measures for economic development programs.

Sub-agreements

Should there be agreement in principle to the recommendations relating to Economic Development, the next step would be to outline in the sub-agreements issues such as term of the agreement, delivery expectations, and, most importantly, performance measures.

4.4 Recreation and Culture Services

The Recreation Subcommittee is responsible for investigating opportunities to enhance regional collaboration in the area of recreation. The subcommittee must report back to the Implementation Committee on three core activities related to recreation services, programs and assets: service delivery, governance modeling and fiscal sustainability.

4.4.1 Current Services Provided by Brazeau County and Drayton Valley

Both municipalities support recreation and cultural activities that benefit their citizens and citizens from the region. How this support is provided varies considerably between the two. The County generally provides facilities and grants for facilities and does not deliver any of its own recreational or cultural programs. Instead, it relies on community organizations to identify the need and to respond accordingly, supporting local initiatives when required or requested.

The Town also relies heavily on volunteer organizations to deliver a variety of programs and services relating to recreation and culture, but also provides some of its own recreational and cultural programming. The Town owns a number of regional facilities, which are facilities unique to one municipality but have the ability to serve the citizens of the region. An overview of services provided by each municipality is provided below.

Brazeau County

The responsibility for the delivery of County recreational and cultural services is spread among many departments, with the Agricultural Department being the primary lead for the maintenance of parks and open spaces.

It should be noted that, in the Draft Brazeau County Recreation Master Plan, the position of Recreation Manager has been identified to consolidate a number of the functions listed below and to provide greater support to the recreation and cultural users in the County.

Agricultural Department

The Agricultural Department is primarily responsible for maintenance of vegetation related to parks and open spaces. Specifically, this work includes:

- Mowing grass
- Seeding
- Playground inspections
- Weed control
- Tree maintenance

The department is also responsible for the management and maintenance of assets and amenities within parks and open spaces, such as the following:

- Floating and dragging ball diamonds;
- Litter and small garbage collection;
- Cleaning and light maintenance of outdoor facilities (e.g. gazebos, play structures, fences, etc.);
- Water well testing and chlorination; and
- Contract management for amenity leases and similar agreement.

The bulk of the maintenance work is performed in the spring and summer months by two seasonal (May-August) maintenance operators under the management of the Director of Agriculture. All relevant management duties fall to the Director. It is estimated that this portfolio absorbs 25 per cent of the Director's capacity.

Public Works Department

The Public Works Department also plays a key role in providing maintenance support of County parks and recreation. Specifically, this work includes:

- Maintenance of road accesses;
- Maintenance of facilities (construction, major repair, troubleshooting, and winterizing);
- Supplying firewood to campgrounds; and
- Emptying larger waste containers.

Most of this work is on an "as needed" basis or as approved during the budget process. As such, the required resources for completing this work can vary. All relevant management duties fall to the Director of Public Works. It should also be noted that resources are shared between the Public Works and Agricultural Departments to achieve major initiatives and address emergency situations.

Strategic Initiatives Manager

This position no longer exists and it is unclear how these duties and responsibilities have been delegated. Specifically, the tasks that had fallen under this position included:

- Assisting community groups as needed;
- Bylaw and policy development; and
- Acquisition of grants for Canada Day, summer students, capital projects, etc.

It is estimated that this portfolio absorbs 25 per cent of the Manager's capacity.

Reception/Corporate Services

Reception is responsible for administering bookings (one ball diamond), including the collection of deposits and fees for Easyford Park rentals. The workload is very minimal.

Cross-department Involvement

All County departments are involved in planning future parks and recreation initiatives. There is no lead department identified to advocate and initiate planning.

Facility Ownership

Brazeau County owns a number of recreation assets. These assets include rodeo lands, campgrounds, day-use facilities, sports fields, open spaces, environmental reserves, and trails and walkways. An overview of these assets is included, in Appendices A – E, of the draft Brazeau County Recreation Master Plan.

While the above relates only to County-owned facilities, it should be understood that a number of recreational and cultural amenities are owned by the community organizations within the County. These community organizations contribute a great deal to the quality of life of the community and receive relatively little support from the municipality in relation to the resources and effort they put into maintaining and operating these facilities.

Programs and Services

The County does not directly provide any programming related to recreation or cultural services. The County's role is limited to providing facilities for the delivery of recreational services but does not directly provide any programs and services. Programs and services are either provided through third parties on behalf of the County or independent of the County through community organizations. This relationship with community groups has saved the County a tremendous amount of money over the years.

Cultural services in the Brazeau region are generally supported by the County through grants to cultural organizations, not-for-profit organizations that run special events - such as the agricultural society - the Town and the Village, and to support venues that host cultural events and activities.

Town of Drayton Valley

The responsibility for the delivery of Town recreational and cultural services is spread among many departments.

Facility Maintenance

The pool, the Omniplex, and the Mackenzie Conference Centre are managed by facility managers who report directly to the Chief Administrative Officer. The two facility managers are responsible for policy development and implementation for the facilities, as well as day-to-day operations and maintenance.

The facility managers are responsible for bookings for their specific facility and the Omniplex staff deal with the annual scheduling and booking of indoor and outdoor facilities.

The pool staff are also responsible for operating the splash park.

Public Works – Parks Branch

Management of recreation amenities, such as trails, open spaces, parks, playgrounds, and sports fields, skating ponds and skateboard park, are delegated to Public Works – Parks Branch. While pool staff are responsible for operating the splash park, Parks staff deal with maintenance issues. This includes the ponds (skating ponds).

The RV Campground is both operated and maintained by the Public Works Department.

Long-term Planning

Most long-term recreation planning is confined to input from the Planning and Development Department into area structure plans that identify locations of new parks, open spaces, and trail systems. There is a need for a long-term recreation and cultural services planning related to the overall development of programs and services, as well as the assets required to support these programs and services. Such dialogue should ensure appropriate interdepartmental and intermunicipal communication, as along with meaningful community engagement.

Facility Ownership

A list of municipally-owned assets is available in the Drayton Valley Recreation Master Plan.

Programs and Services

Programming is generally provided on a facility basis, with each of the major facilities having their own programming staff who develop and offer programs and services to residents.

Rotary Branch and Municipal Library

The Rotary Branch Library and Municipal Library provide children's programs and activities within the library system.

Family and Community Support Services (FCSS)

While the FCSS mandate does not allow direct delivery of recreational programming, some of the eligible programs they offer or fund have recreational components. Generally, the FCSS program offers funds to organizations to develop and offer preventative social programming options to residents.

Cultural Services

The Town's supports cultural services in a variety of ways:

- The provision of a performing arts centre at no cost to the community organization, in addition to $2,500 in annual support;
- The hosting of community-wide events, such as Canada Day; and
- The provision of grants or venue to various organizations involved in cultural activities, programs or events. For example, support of the agricultural society, provision of space for art gallery in the Mackenzie Conference Centre, etc.

Not-for-profit Organizations

The Town of Drayton Valley and Brazeau County are well served by a host of not-for-profit community organizations that provide a wide variety of programs and services. A listing of these organizations can be found in the local Kinsmen Directory. The Drayton Valley and District FCSS Family Guide and the Drayton Valley and District Seniors Guide provide valuable information regarding programs and services available to the community through governmental agencies, and not-for-profit organizations and service clubs.

4.4.2 Cost of Delivering Services

Brazeau County

The County budget for Recreation Services in 2010 was $382,206. In addition, the County provided $1,110,157[2] in transfers to Drayton Valley and $21,070 in transfers to the Village of Breton in the 2010 Budget.

Town of Drayton Valley

The Town expends approximately 21 per cent of its overall operating budget on recreational and cultural services. Through a cost sharing agreement, the County contributed approximately $1,110,157 in 2010 towards recreation services in the Town.[3] Specifically, the County contributed:

- $170,000 toward the deficit of the Park Valley Pool
- $370,000 toward the Omniplex deficit
- $186,037.73 towards the Municipal and Rotary Branch Library. In 2011, this amount is budgeted for $197,588.78.

Brazeau does not currently contribute towards the costs of the Water Splash Park, the Skateboard Park, the Fitness Centre, Curling Centre or the Eleanor Pickup Performing Arts

[2] This is believed to reflect the value of $500,000 for capital for renovations to the Omniplex and $541,680 for annual operating budget.

[3] Based on Budget information provided by Brazeau County.

Centre. The Performing Arts Centre is owned by the Town but managed and operated by a not-for-profit organization.

Brazeau County and Parkland County provide some funding toward recreational assets, programs and services to the Town, but they do not jointly own any of the recreational assets in the Town.

4.4.3 Approaches to Service Delivery for Recreation and Culture

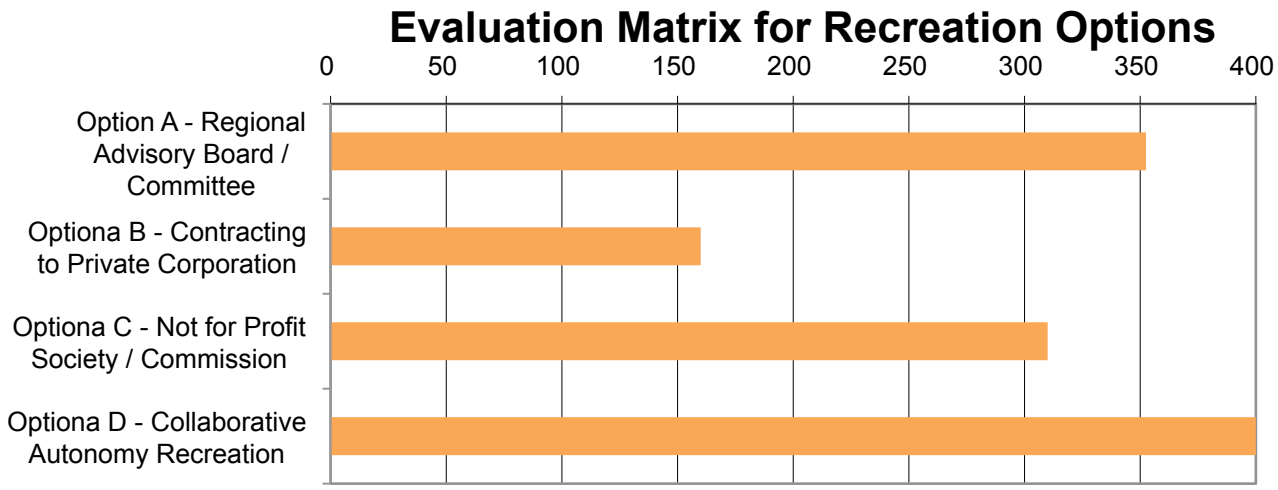
A number of approaches for intermunicipal service delivery of recreation and cultural services were explored. Most of these models place a greater emphasis on recreation than on cultural services. An outline of the advantages and disadvantages of each model is provided along with general comparisons in Appendix E.

4.4.4 What We Heard from the Joint Council Meeting

On March 11th, 2011, the Municipal Councils of Brazeau County and Drayton Valley held a joint Council meeting. Appendix C outlines some of the comments heard regarding a vision for how collaboration could take place, what barriers might exist, and how those barriers could be overcome. Some of the comments recognized the importance of respecting the unique characteristics of rural and urban municipalities, while also understanding that collaboration can create efficiencies in service delivery, enhance the quality of the services, and provide an easier way to navigate process for business owners, builders and developers.

4.4.5 Evaluating the Options

Each of the service delivery model options were evaluated using the evaluation matrix designed by the two municipalities' senior management teams. The results of the evaluations are provided below. It should be noted that there is a high degree of subjectivity in relation to the scoring of the criteria, but final scoring was done through consensus of the subcommittee members.



4.4.6 Recommendations

The Collaborative Autonomy approach to recreation and culture recognizes that too much done too quickly in an area of public service that involves so many may undermine the intent and the hopes for enhancing regional recreation and culture. Deliberate, meticulous steps will ensure all issues are well understood and opportunities are fully realized. While wholesale change is not being undertaken, deliberate efforts are being made to ensure that duplication of facilities and services are eliminated, and that long-term strategic initiatives and activities in relation to recreation and culture are taking place.

Recommended Services to be Provided on a Regional Basis

As it stands, while recreation and cultural services are offered by both municipalities, much can be done to improve coordination of recreation facilities and services. The types of services that could be provided are outlined in Table 9. The recommendation is to hire a Regional Recreation Director to assist in providing the services listed. Ideally, the Town would consider consolidating its recreation functions under the Community Services Department. This consolidation would reinforce the role of the Community Services Department as the primary liaison with community organizations.

Services	Description
Facility Maintenance	Management and maintenance of Regional Recreation Facilities (assets and related personnel).
Marketing	Providing information and raising awareness about municipally provided programs and services, as well as supporting the work of public groups offering services and programs.
Grant Administration	Evaluating and distributing recreation and grant requests on behalf of the two Councils.
Policy Recommendations	Recommendations on recreation and cultural policies and procedures, for example facility guidelines.
Budget Planning	Developing annual and multi-year operational and capital plans in line with planning documents.
Community Planning	Providing recreation and cultural input into municipal planning documents and processes. For example, input into ASP, MDP etc. Ensuring that recreation and cultural needs are adequately provided for.
Long Range Recreational Planning	Outlining longer-term recreation and culture master plans, needs assessments, and medium and short-term strategic/business or operational and capital plans.

Contact Point	Providing a single contact point for recreational and cultural organizations to access municipal support, information and departments.
Capacity Building	Organizational and individual capacity building through the provision of leadership training and board development opportunities, as well as officiating clinics and other recreation or culturally specific training opportunities.

Table 9 List of Recommended Services for Recreation and Culture

Recommendations Regarding Regional Recreation and Culture Facilities

A number of facilities have been identified as regional facilities, which are facilities unique to one municipality but can serve the citizens of the region. The Recreation and Culture Subcommittee believes that consensus can be found on what constitutes a regional recreation facility. There may be one or two facilities up for debate, but, overall, the subcommittee is recommending the following as regional facilities:

- Omniplex (Curling Rink, Fitness Centre)
- Park Valley Pool
- MacKenzie Conference Centre
- Skatepark
- Eleanor Pickup Centre for the Arts
- Splash Park

There has been some debate regarding the inclusion of the MacKenzie Conference Centre and the exclusion of the Brazeau Sports Park, which is currently under construction. With regards to the conference centre, the subcommittee believes that it serves a regional function in terms of its size and purpose that no other facility in the region serves and it remains open to all for rental and use. With regards to the Brazeau Sports Park, a decision was made not to include sports or athletic fields in the calculations, as both municipalities currently provide these services to their residents. Additionally, while it may not be realistic, the County's expectation is that the Sports Park will be run by community organizations utilizing the field and should not require County funding.

Table 10 outlines the recommendation of the subcommittee with regards to how the costs of delivering the recommended services could be carried out. The cost sharing formula was arrived at using the number of students in the school system who are residents of either Drayton Valley or Brazeau County. The rationale is based on the fact that most Councils, through policy or philosophy, tend to subsidize services that directly benefit children and youth to ensure activities are accessible. Adults, on the other hand, tend to be treated differently. Adults are typically required to pay cost recovery for the use of recreational facilities and services, or as close to cost recovery as possible. By developing a cost sharing formula based on the number of students in the school system, it allows for the sharing of costs based on the population most likely to receive subsidized services and, therefore, cost the municipalities the most in providing services.

SERVICES FOR COLLABORATION	MANAGEMENT	FINANCIAL MODEL (TOWN/COUNTY)
Regional Recreation Facilities	Town	52/48 Cost Sharing
Regional Director	Town	52/48 Cost Sharing

Table 10 Management and Finance Model Recommendation

Sub-agreements

Should there be agreement in principle to the recommendations relating to Recreation and Culture, the next step would be to outline in the sub-agreements issues such as: term of the agreement, delivery expectations, and most importantly performance measures.

5 NEXT STEPS

At this point, direction is required from the two municipalities regarding how they wish to proceed with the recommendations provided in this report. This would allow for detailed discussion regarding the sub-agreements and for the development of performance measures.

Administration would also grant an extension to the water / wastewater committee to complete its report in late August 2011.

Sub-agreements for each of the initiatives should be completed by the end of September so that any budget implications could be considered in the preparation of the 2012 operating and capital budgets.

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Appendix B – Land Use Planning Service Delivery Options

a. Regional Services Commission

Relevant Case Study – Oldman River Regional Services Commission, Mackenzie Municipal Services Agency,

Advantages

The Regional Services Commission provides an opportunity for municipalities to collaborate and share resources within a formalized structure. Commissions often provide services that an individual municipality may find too costly to provide on their own. The ability to pool needs can also assist municipalities in attracting qualified staff and resources, and provide them with a diversity of activities to be engaged in. The pooling of resources can also translate to more efficient use of funds and the ability to engage a more specialized workforce. The Commission model encourages dialogue and discussion among partners and may help resolve intermunicipal disputes at an early stage. Another perspective is that regional commissions, districts or government, provide an opportunity to look at issues beyond the local level and thereby see a broader, more regional perspective that considers the costs and benefits to everyone, as opposed to a smaller subset of residents.

Disadvantages

The issue of decision-making authority is a general concern in all models of regional collaboration. Many see the planning and development function of a municipality as being one of its primary responsibilities. By handing over some of the functions and responsibilities of planning to a regional commission, it may dilute a Council's ability to control the destiny of its community. Some have argued that regional commissions, districts or regional governments create an additional and unnecessary level of bureaucracy and politics. Additionally, at least one of the commissions contacted for this case study cited issues with the one-year budget planning cycle currently in place. While all municipal budgets are approved on annual basis, most municipalities attempt to consider multi-year budgets for planning.

b. Regional Districts

Relevant Case Study – MSTW Planning District, Selkirk and District Planning Area Board

Advantages

The same advantages attributed to the regional commission can be attributed to the regional district as well and would be considered a similar concept.

Disadvantages

From the regional commissions and districts in this review, one would conclude that the same types of disadvantages apply to both governance models.

c. Contracted Services – Private Corporation

Relevant Case Studies

A true model of planning and development services provided by a private corporation was challenging to find. There are various models in which private corporations are utilized to support planning, development or safety codes functions, but no example was identified in where all functions were contracted out to a private firm.

For safety codes. a number of examples where municipalities contract out the entirety or aspects of building and safety codes: Town of Morinville, City of Cold Lake, City of Spruce Grove, City of St. Albert (use contract services to supplement services during peak or high demand times).

Some municipalities have utilized private firms or consultants to review subdivision applications, carry out reviews of Area Structure Plans, or amendments to Land Use Bylaws or Municipal Development Plans. The services of a private firm are often used to supplement the services of the municipal function and do not take them over in their entirety.

Advantages

Using a fee-for-service basis with a contracted firm may provide flexibility to a municipality to purchase additional services, or reduce services as demand changes. The commitment to buy or reduce services is seen as more flexible than laying off or terminating staff. While the fee-for-service on an hourly basis may be higher than for paid full-time staff, you would only pay when the services are being utilized as opposed to having in-house staff who may not be fully engaged during slower times. Purchasing services may provide the municipality with the ability to hire specialized professionals as required and as projects arise, as opposed to having a generalized planner or development officer on payroll all the time.

Disadvantages

A municipality may find that in a fluid political environment with changing priorities and planning philosophies, maintaining in-house staff will provide greater flexibility than engaging a private firm or consultant. In-house staff interacting daily with Council, other departments and the community may gain a greater insight into the issues and needs of a community than a contracted firm based outside of the municipal office. Increased interdepartmental interaction may lead to better decisions and outcomes for the municipality. Additionally, contracted services often make the most sense when the tasks are routine and within a specific framework. If tasks and processes are continually changing and the scope of work is regularly impacted, the municipality may find the cost of contracted services may escalate to a point

when in-house staff are much more affordable to employ. In-house staff may also be seen as more invested in the community and the organization than a private firm or consultant, which can be viewed as external to the organization and motivated by profit more so than the community's best interests.

Appendix C – Joint Council Meeting notes

Economic Development

Vision

- have a knowledge about what's in the area to attract business and economic development to area;
- we need to provide the culture of a common approach;
- joint marketing/lobbying (to other governments, businesses);
    - if not we could all miss opportunities;
- we need to speak to the people we already have: business retention/expansion important (80% of new business comes from within);
- both jurisdictions work together to run a business retention program;
- procurement process developed locally (opportunity for locally importing/exporting goods from within the community);
    - help in developing human resources (training);
    - technology;
- working jointly sharing the strengths and maintaining autonomy:
    - business attraction;
    - business retention;
    - revenue sharing/cost sharing (needs lots of discussion);
    - regional promotion;
    - open communication/trust building; moral support
    - average person is unaware of animosity
- Could work with Breton (maybe underutilized) and other hamlets within the region
- Working together for the benefit of both municipalities
- Promote both as one economic development region
- Consistency with policies and procedures
- Continual process

Barriers

- Tunnel vision;
- Each municipality has individual interests;
    - these have always been there, we need a better understanding if they are still here and need to address them;
- Issues around taxes: what goes for what;
- Public is resistant to change:
    - Fear of change, people just want to protect family/income/services;
    - difficult manage conflicting publics;
- costs are related to tax base: i.e. county businesses/commercial are usually more supportive of spending; residential is less supportive.
- Territorialism/ boundaries (real or perceived);
- Communication: development of common vision;
- Perception to "outside world" of our dispute history;
- Difficulty understanding different perspectives: town life/county life priorities
- Resistance to change (residents): feeling of being left out of information loop

- One economic development department for both municipalities:
    - business attraction and retention
    - better communication
    - better results if municipalities are working together
- one department would be able to provide a broad spectrum of what's available
- There should be no barriers as to where a business should locate
- Mindset that a single department or staffer might steer business to one location over another.
- Perception of public
- Funding barriers, choosing staffing (team)
- Fear of change
- Buy in from some hamlets but not others.
- Costs of economic development should be fair, which is not the same as equal
- Public perception
- Political change
- Trends that cause 'tunnel vision' effect
- Economic shifts
- Lack of community support
-

Overcoming Barriers

- Look at development as a community;
- Not based on where taxes come from;
- More, better, different, communication with public to build understanding; increase knowledge; communication needs to be more directed on specific issues; building trust (no longer have an attitude of what are they going to do to us); process takes time; use appropriate technology to engage i.e. tweets.
- Communication, Communication, Communication,
- Political will/strong governance;
- Celebrating our community and our successes;
- Achieving trust with public and by-in from good planning/governance
- Public acceptance;
- Celebrate our successes
- Follow-up, follow-up, follow-up.
- Marketing strategies
- Create a team
- Proper cost sharing formula
- Better communication
- Time
- Community engagement awareness and support
    - Communicate benefits of vision to the community
    - Need community members on economic development involvement
- Create vibe rant economy
- Open communication with Councils

Recreation/Culture

Vision

- Know what's available in the entire area/don't duplicate
- Engage the public "the users" for input about need/cost
- Regional approach for cost/revenue sharing
- Cooperation with cultural events, parades, fairs
- Reinforce the value of recreation and the amenities
    - Speaks to the quality of life, healthy living and sustainability
- Don't "double up" on facilities, offer something new or needed in a different community
- Provide the best recreational facilities and programs and services to our citizens (best that money can buy or the best that we can afford?)
    - Formal process for public input
    - Work to align priorities between the Municipal Councils
    - Co-operative support (lobbying, financial, marketing
- Offering wide range of quality recreational services to residents of both municipalities
- Long-term recreational plan – joint culture
- Utilize all facilities to full capabilities
- Funding goals for long-term

Barriers

- Lack of understanding – the assets belong to all of us
    - For all residents to use regardless of Town/County
- Mindset about who pays for infrastructure:
    - ball parks,
    - swimming pool,
    - agricultural facilities

    } Geographic Boundaries
- Competing demographic needs:
    - ATV in County
    - Agriculture / Recreation Complex in Town
- Costs – recreation costs a lot and doesn't make money
- Learning from mistakes
- Understanding needs and concept (Eleanor Pick-up Centre
- Lack of communication
- $$$$, differing priorities
- lack of general public interest allows special interest groups to come to the forefront
- public acceptance of dollars spent on recreation
- % of users (worthwhile?)
- operational costs versus capital costs
- accessibility / distance / location
- identifying recreation needs/wants
- cost-capital and operating
- pressure from interest groups
- unrealistic expectations
- understanding public needs and being able to provide to these needs
- public needs to understand what is already available (i.e. outdoor rinks in County)

- resources not utilized to engage community and facilities
- lack of vision
- dance, theatre, gymnastics, fine arts need equal opportunities with recreation

Overcoming Barriers

- Regional recreation coordinator/planner
    - Field coordinator
    - Event Coordinator

Communications & Facilities

Recreation package

- Better promotions of ALL the services, facilities, assets
- as a "region" we will be able to attract more money
- set priorities and get user groups on board
- communications
- Drayton Valley / Breton / Brazeau County
- Ensure community support for recreational services and programs (keep engaged). Follow-up
- Need to develop a plan to deal with financial operations of the facilities
- Communications
- Joint lobbying effort and increase in grant funding
- Create diversity
- Educate and communicate with public
- Working with community and user groups to prioritize needs (i.e. ball fields)
- Community support and funding, not solely dependent on governments
- User pay system

Land Use Planning

Vision

- Delivering consistent land use policies that are easy to understand by residents and developers
- Ensuring a positive urban-rural interface
- Consistent and collaborative ASPs and other land use documents (ideology, language, expectations)
- consistent safety codes and enforcement
- Open for business
- Cohesive planning i.e. fringe area
- Coordinated land use policies
- Common language for primary planning documents
- Common procedure / processes i.e. development applications
- Sharing knowledge (expertise) and communication on development
- Enforcement in safety codes
- A joint long range plan:
    - Vision
    - Standards
    - Growth
- Have a plan in place a plan that attracts

- One stop shop for information, permits, codes etc.
- Concentric Planning Model
- Same planning language:
    - LUB Terms, IDP, MDP, Safety Codes

Barrier

- Different rural and urban planning needs
- Scale of task/process/lack of capacity
- Cost
- Public perception
- Costs affiliated with inspections and enforcements of safety codes
- Costs for professionals
- Resistance to change, tunnel vision
- Developers need to be treated equally
- How to overcome
- Protectionism
- Perception of loss of autonomy
- Lack of understanding
- Differences on planning standards (rural vs. urban)
- Understanding the impact of development on your neighbours (ex. Municipality of an actual neighbour)
- Public perception that there is poor planning going on
- Political will (lack of)
- History moving forward
- Changing culture (burning outside town areas)

Overcoming the Barriers

- Communication / citizen engagement
- Sensitivity to differences / needs
- Respect
- Collaborative approach to optimal land use
- Communication
- Streamline processes for general public
- KISS – keep it simple…
- More group session settings (intent on understanding differences, rationales)
- Communication, communication, communication
- Proper communication – address concerns (public input)
- Value to change political will – celebrating our accomplishments
- Celebrate
- Leave control with governing bodies
- Joint planning for fringe areas (consultation)
- Find solutions to change
    - Working with new town residents on burning outside

Water/Waste water

Vision

- To provide the citizens of Drayton Valley and Brazeau County with the quality, quantity, sustainable water and wastewater services possible.
- Cooperate and collaborate on a sustainable regional water / wastewater facility to benefit the community and respect the environment
- Explore the possibility of a Part 9 Company
- Be open minded to all solutions / possibilities when dealing with water / wastewater
- Having a single regional water plan:
    - Joint owned? vs. Buy/Sell
    - Joint lobbying for funding
    - Include Breton's water needs as well
- Ensure cost effective and sustainable delivery of water and wastewater services to users in both municipalities
- Fresh clean water supply for the community
- Ensure plentiful supply available – sustainable
- Innovation for infrastructure
- Responsibility of management and use
    - Wastewater
    - POUR – preserve our ultimate resource

Barriers

- Funding
- Ownership of possibilities
- Overcoming political differences/will
- Public perception
- $$$$ (costs)
- lack of understanding by County residents of the benefits
- funding $$$
- right of way
- delivery
- sell the concept to the public (ex: Rocky Rapids)
- more difficulties to overcome but needs to happen
- significant difference in number of water users between municipalities
- cost
- time governance model
- education to public
- government limitations: illegal gray water reuse
- engineering limitations on innovation
- local economy: water consumption based
- close minded view of water abundance being available forever
- demand of our water supply globally

Overcome

- Joint lobbying / approaches
- Ownership discussions / scenarios
- "Just do it" / "Get 'er done"
- Communication
- Value added with Part 9

- Don’t need to reinvent the wheel (use the expertise we already have)
- Good solid plan
- Joint lobbying
- Good communication of the plan
- Offer incentives for residents
- Create fair funding model
- Adaptable to population increases
- Education – water conservation
- Lobbying regulation changes
- Explore innovative ideas / plans
- Be pro-active

Appendix D - Economic Development Entities

1. Leduc-Nisku Economic Development Authority – City of Leduc; Leduc County; Towns of Beaumont, Calmar and Devon; Villages of Thorsby and Warburg

History

The Leduc-Nisku Economic Development Authority (EDA) was formed in 1984 with a partnership agreement by the City of Leduc and the County of Leduc No. 25 (now Leduc County). Both municipalities were approached by a visionary group of business people who felt that the region needed an 'arm's length' organization to build a bigger, stronger, more sustainable future for the region. A bylaw was established for the EDA in March of 1984.
The first few years were spent establishing a board of directors, holding monthly meetings and establishing priorities. In 1988, the newly hired Executive Director, John Barnard, recalls that he and his Executive Assistant were doing what any two people could do in 40 hours per week and it wasn't enough, so he called together a group of 30 community stakeholders for breakfast. That was the beginning of EDA's now famous Economic Partnership Breakfasts and the start of an 'Economic Partnership Program,' based on the Tennessee Valley's Leadership Program. The Tennessee model essentially inverted the leadership triangle to ensure that EDA was driven 'bottom up' – in the community, by the community and for the community.

Economic Base

The EDA serves the City of Leduc, Leduc County, the Towns of Beaumont, Calmar, Devon and the Villages of Thorsby and Warburg – a population on the perimeter of the larger Capital Region (just over 1 million). The region includes the Edmonton International Airport and Nisku-Leduc Business Parks. Approximately 29,000 people work in these energy industrial parks. Alberta's International Region is anchored by five key sectors: energy, agriculture, advanced manufacturing, environment and transportation.

Governance

The EDA Board comprises:

- 1 each from City and County Councils
- 1 each from City and County business community appointed by Councils
- 1 each from Leduc Chamber and Nisku Business Association
- 3 at large appointed by EDA Board
- 1 Edmonton International Airport
- 1 Past Chair

Vision / Mission

The mission of the Leduc-Nisku EDA is to maintain and enhance Alberta's International Region as an excellent place in which to live and do business by:

- Supporting the development needs of the local business community;
- Providing timely, accurate information on the regional economy;
- Marketing the region's products, services and technologies; and
- Facilitating networks, partnerships and opportunities.

EDA's economic development activities include:

- Strategic Planning
- Business Recruitment
- Business Retention and Support
- Marketing and Image Building
- Entrepreneurial Support
- Facilitating / Convening / Brokering (including facilitating volunteer teams of business / industry to address an issue or opportunity)
- Technical Assistance

Services offered by EDA include:

- Business counselling;
- Business retention and expansion programs;
- Statistics, demographic information and trend forecasts;
- Representation at incoming and outgoing trade missions;
- Organization of monthly economic partnership breakfasts and other events; and Attendance and partnership opportunities at numerous prominent international trade shows

Staffing Levels

- Executive Director
- Business Development Manager
- Marketing and Communications Manager
- Office Administrator / Executive Assistant
- Special Events Coordinator
- Partnership Breakfast Coordinator (0.25 FTE)
- Virtual Trade Show Manager (Contract Position)

Advice to Drayton Valley and Brazeau County

One size doesn't fit all, so it is difficult to say which model would work best for Brazeau County and Drayton Valley. There are many models out there and economic developers are very collaborative and anxious to share, so perhaps one or a combination of several may be a fit.

Consider getting both Councils together with the Chamber of Commerce, downtown business associations, regional stakeholders, etc. for a regional visioning workshop.

2. Joint Economic Development Initiative (JEDI) - Town of Millet, City of Wetaskiwin and County of Wetaskiwin

History

The Joint Economic Development Initiative (JEDI) was formed as a not-for-profit society in 2003 by the Town of Millet, County of Wetaskiwin, and City of Wetaskiwin. Prior to the formation of the society, both the Town of Millet and City of Wetaskiwin were competing for the same in-bound logistics company lead and both communities were relying on support from the County of Wetaskiwin. This initial competition led to discussions amongst the three partners about opportunities for collaboration, rather than competition. Additionally, the partners recognized the need to combine competitive advantages to compete with larger centres, like the Edmonton Capital Region and Leduc-Nisku.

JEDI authored its innovative Master Cost and Revenue Sharing Agreement in 2006, which allows for sharing of costs and revenues associated with industrial development, among the three communities.

Economic Base

The JEDI region's economic base consists mainly of agriculture, and oil and gas support services. Manufacturing and value-added food processing are also well represented in the region.

Governance

JEDI is a not-for-profit society governed by a board of directors consisting of two directors from each of the three municipalities. The JEDI Board has an annual rotating chairmanship with the previous year's chair becoming First Vice Chair to allow for continuity. Each board member has an equal vote. JEDI's management committee consists of three CAOs, one from each community. The management committee is ex-officio on the board.

Vision / Mission

Vision: The Joint Economic Development Initiative is an innovative regional partnership that fosters sustainable industrial growth.

Mission: The Joint Economic Development Initiative provides cooperative, proactive leadership in attracting sustainable growth and supporting a diverse industrial base while respecting the region's high quality of life and the environment.

Programs

- Strategic Planning
- Business Recruitment
- Business Retention and Support
- Marketing and Image Building
- Entrepreneurial Support

Staffing Levels

- Director of Economic Development - reports to JEDI's Management Committee
- Economic Development Specialist - reports to JEDI's Management Committee

Budget / Funding

JEDI's 2010 Budget was $493,265. Most funding comes from the City and County of Wetaskiwin, with some contribution from the Town of Millet. In the past, JEDI has also accessed government grants.

- Annual Report
- Lead Generation
- Award Recognition

Success Factors

Not provided.

Advice to Drayton Valley and Brazeau County

It is important to maintain the autonomy of each partner community. As a society, JEDI cannot supersede planning decisions or development decisions. Each community is still in control of all of its functions with JEDI simply providing information for decision-making purposes.
As well as respecting autonomy, recognizing the need for clarity and transparency in agreements is critical to avoid future confusion, when different people are sitting at the table, about what was agreed by the forming partners. Clarity and transparency can help create a stronger trust amongst partners.

Finally, a long-term commitment is crucial to the success of any new organization. In JEDI's case, a 10-year agreement was executed, allowing the organization to complete its start-up operations, build capacity and begin to achieve success. Often communities do not commit long enough to new ideas and back out at the first available opportunity. Time to establish a new organization is vitally important.

3. Central Okanagan Economic Development Commission, Regional District of Central Okanagan

History

The Central Okanagan Economic Development Commission was formed in 1985. After an evaluation of its organizational effectiveness in 1993, private sector representation was added to the board. The focus of the organization changed from business attraction to include internal business expansion and support. The organization also became 'partnership oriented.'

Economic Base

Agriculture, forestry and tourism are important industries in the region. The Kelowna International Airport and UBC Okanagan (University of BC Okanagan campus) have emerged

as key growth drivers. UBC Okanagan has been a major economic driver since its creation in 2005, bringing to Kelowna direct and spin-off employment, significant capital expenditure, industry partnerships, research dollars, profile and demand for housing. Kelowna's airport runway has been extended to accept direct overseas flights.

Central Okanagan's population is 184,411.The City of Kelowna is the largest city in Central Okanagan and the major centre for trade and commerce between Greater Vancouver and Alberta. Convenient access from the valley to strategic markets is available through a number of highways and the Kelowna International Airport.

Governance

The COEDC is structured with a 30-member volunteer Advisory Board of Directors. The board represents a cross-section from the business community, along with appointed representatives from local government and associations.

Vision / Mission

A prosperous region, where smart growth complements its natural resources and amenities, embracing new global economic and social change.

Programs
COEDC activities focus on three primary areas:

- Business Enhancement (60%)
- Business Attraction (20%)
- Economic Development Facilitation (20%)

Services:

- Business Enhancement Program
- Foreign Skilled Worker Program
- Arts, Culture and Tourism Program
- Agriculture Support Program
- Technology Expansion Program
- Export Development Program
- Public Inquiries
- Weekly Newsletter
- Education Seminars to Local Business
- Clearing House for Information
- Valley-wide Initiatives
- Site Selection and Commercial/Industrial Space Location
- Market Development for Industry Sectors
- Communication with agencies and organizations

Staffing Levels

- Manager Economic Development
- Administrative Assistant
- 2 Marketing / Research staff

Budget / Funding

COEDC's annual core budget is $720,000. Funding is provided by the Regional District of Central Okanagan.

Measuring Results

Key performance measures to monitor COEDC's work are reflected in the identification of specific activities, budget implications and timelines for the implementation of projects. Monthly Activity Reports are submitted to the Advisory Board, the Regional District of Central Okanagan Directors and City Councils within the Central Okanagan Region. Outcomes are reviewed to measure the value of these activities during June and December assessment periods.

Success Factors

- Hire good people with the right skills. COEDC's staff include five contract sector specialists, which allows for focused initiatives.
- The Okanagan region is politically mature. Decision makers understand the bigger picture benefits that come out of the partnership. They will fund projects that do not provide 'direct' benefits to their municipality, as they understand the value of indirect benefits.
- The more partnerships the better. COEDC has approximately 100 partnerships – this results in referrals, helps to stretch resources and can result in additional funding. Last year, COEDC raised $300,000 externally.

Advice to Drayton Valley and Brazeau County

Market the bigger picture – the region is everything. Decisions are based on regions (i.e. Napa Valley, Okanagan Valley), not dots on a map. Individual communities in Canada are too small to be known by investors and site selectors. It is important for the organization to build a mindset that fosters this and that understands the big regional picture. Having the right personalities at the table can help accomplish this.

4. Lane Metro Partnership – Lane County and Cities of Eugene and Springfield, Oregon

History

The Lane Metro Partnership was formed in 1985 by Lane County and the Cities of Eugene and Springfield in response to a recession in the early 1980s. The region's economy was too reliant on the timber industry and efforts were needed to achieve diversification. The Eugene and Springfield Chambers of Commerce are also now members of the Partnership.

Economic Base

The two drivers of the region's economy are the timber and wood industry and the University of Oregon in Eugene. They also have a large manufacturing base of recreational vehicles,

which recently experienced a major downsizing (from approximately 3,000 to 500 employees). This is expected to improve once the national economic situation rebalances.

Governance

The Lane Metro Partnership is a non-profit organization. Its board includes representatives from the cities of Eugene and Springfield, Lane County Board of Commissioners, University of Oregon, Lane Community College, Land Workforce Network and numerous private businesses.

Vision / Mission

The Partnership's mission is to attract and retain business that offers good employment opportunities and economic diversification. It has been difficult for the partners to agree on a single vision over time.

Programs

Most of the Lane Metro Partnership's work is done in collaboration with the state economic development department. As the state receives leads on business prospects, the Partnership will prepare information packages to submit with the state. The Partnership's work tends to be more reactive than proactive. In the early years, they advertised and attended trade shows with little success, as most trade show delegates are looking at supply connections rather than relocation. Their activities focus more on business expansion than relocation, as Oregon is not the lowest-cost place for business.

Staffing Levels

- Executive Director
- Business Development Director
- Financial Administrator

Budget / Funding

Lane Metro's annual budget is approximately $350,000 - most covers personnel costs. Their funding is approximately a 50/50 split between public sources and the business community.

Measuring Results

The Partnership has tried in the past to develop performance indicators but has been unsuccessful.

Success Factors

- Have good information available.
- Respond to inquiries quickly.
- Develop good relationships with local government departments.

- Earn their confidence by demonstrating you are there to facilitate and protect community interests, not to bend rules.
- As a private non-profit organization, the Partnership's records are not in the public domain so business requests and information can be held in confidence.

Advice to Drayton Valley and Brazeau County

- Be open and honest about what interests the organization is serving and what it is hoping to accomplish. If this is not clear at the outset, incompatible objectives will surface later at an inappropriate time. The partners' objective may change over time as member municipalities may grow at different rates.
- There are no 'miracle workers.' Economic development involves a long-term commitment.
- Successful economic development creates a mix of jobs at different skill and wage levels – not just high paying jobs. Good, reputable employers offering benefits should also be valued.
- In addition to job creation, remember the important spin-off benefits that result from keeping people in the community to shop, buy homes, go to school, etc.

5. Sarnia-Lambton Economic Partnership – City of Sarnia and Lambton County, Ontario

History

Lambton County has been active in economic development going back over 25 years. During that period, there have been several reorganizations. The present organization goes back to a 1995 effort when a new public/private partnership was formed between the City of Sarnia, Lambton County and business and labour organizations. This happened during a time of crisis in the community when there were large layoffs, particularly in the chemical industry.

Economic Base

The County has a deep history in agriculture, refining and petrochemicals. In the 1990's there was diversification with automotive parts, call centers and gaming. Employment in the chemical industry has continued to decline. In the past three years, most of the automotive jobs were lost with the recession. Recent diversification efforts are focused on industrial biotechnology, clean tech, creative industries and tourism.

Governance

The Sarnia-Lambton Partnership is a private / public sector community-based partnership. Its 15-member board represents a broad cross section of the community, including two representatives each from the City of Sarnia and Lambton County, and representatives from local businesses and labour and business organizations.

Vision / Mission

Vision 2020: Together as a community, we will take actions to revitalize Sarnia-Lambton and make it a great place in which to live, work and play.
Mission: To increase the attractiveness of Sarnia-Lambton as a place to invest. The Partnership's most recent plan focuses vision attainment in 10 areas:

- Leading agricultural centre with a key role in the bioeconomy
- Major commercialization and manufacturing centre and feedstock provider for biopetro economy
- End-to-end supporter of the energy sector
- Recognized Canadian centre for clean technology
- Key location for automotive industry
- Producer of diverse, skilled labour for local and global markets
- Vibrant entrepreneurial centre
- Fully equipped with infrastructure to support tomorrow's industries
- Home to a healthy population, growing sustainably
- Presenting positive image to wider public and attracting investment

Programs

- Strategic Planning
- Business Recruitment
- Business Retention and Support
- Marketing and Image Building
- Entrepreneurial Support
- Facilitating / Convening / Brokering
- Development Packaging
- Technical Assistance

Staffing Levels

- 10 staff total - 2 are administrative support

Budget / Funding

$1.2 million

- Wages and salaries: $807,529
- Operating: $132,000
- Programs: $260,000

The County of Lambton provides 80 per cent of the Partnership's funding, with the balance from provincial and federal governments, and the private sector and labour organizations.

Measuring Results

- Number of investments
- Dollar value of investments
- Number of inquiries
- Number of proposals made
- Number of repeat clients
- Number of consultations
- Number of seminars and workshops delivered
- Number of new business start-up (saw SLEP)

Success Factors

- Having and following a strategic plan – operational plan
- Strong community buy-in
- Strong Council support – budget
- Competent staff

- Partnership with other groups to leverage resources

Advice to Drayton Valley and Brazeau County

It is critical to get all community players steering and rowing in the same direction – business, labour, industry, education and First Nations.

Appendix E – Recreation and Culture Service Delivery Options

a. Advisory Boards and Committees

Relevant Case Study – High River & District Recreation Board

Advantages

A volunteer advisory committee is often used to engage community members in providing insights into the issues and operations of Parks, Recreation, and Cultural services. These members can ask questions, provide general and sports-related insights, and be involved in setting policy, strategic plans, capital plans, and other aspects of the service. Committee members are often well connected in the community, and can become spokespersons for policy, facilities, services, and recommendations. Additionally, volunteer committee members tend to have the interest, experience, and first-hand knowledge of what is happening in relation to recreation and culture in the community. While the commitment of volunteer time is experiencing a general decline, those volunteers who are engaged tend to put in a significant amount of time in support of the boards initiatives because of their own passion and commitment to the work.

Disadvantages

An advisory committee is challenged by the perception, if not the reality, that it has no actual power or decision-making ability. The committee simply makes recommendations to Council(s) and/or administration(s). As such, the committee is often seen as a duplication of governance that consumes additional time and work for all involved. Also, this advisory nature can discourage community participation, especially when seeking the input and involvement of qualified and capable members. Volunteers are looking for meaningful opportunities to invest their limited time; an advisory function may not attract the desired participation and commitment. Volunteer boards can, at times, be seen to prolong the completion of a project because of a desire to engage the wider community in the process.

b. Private Corporation (e.g. Armstrong-Spallumcheen Parks & Recreation Commission & Canlan Icesports)

Relevant Case Study – Armstrong-Spallumcheen Parks and Recreation Commission in partnership with Canlan Icesports

In larger centres where demand and participation volumes may allow for profitability, privatization, or the ownership of a facility by a non-public entity is more common (e.g. YMCAs or YWCAs). Even when factoring out lifecycle capital repair and replacement costs, most parks,

recreation, and cultural services are not seen as profitable, with many recreational and cultural services operating at below 50% cost recovery.

Advantages

If there are cost efficiencies to be gained or revenues to be generated, a for-profit model would create the greatest incentive for finding them. The quality of programs may increase in order to attract a greater number of participants and thereby increase usage of facilities.

Disadvantages

A challenge to contracting our recreation and culture services is the challenge in identifying fair and equitable performance measures for identifying success in service delivery. These measures may either be too subjective, or at odds with a profit motive. For example, increase the number of users accessing the program could be better achieved through a reduction in program cost, but that increased volume may not generate enough volume to create profitability or an acceptable rate of return for a private corporation. In summary, the fear is that any profitability or performance bonuses will only be achieved by somehow reducing service levels. Therefore, any contract must be thorough and extremely well-structured to make the contractor adequately accountable to municipalities and public expectations. Only when there is a level of comfort level with a contract and contractor will a municipality then assign the responsibility of delivering these services to the private sector. In many cases (ex. trying to retain low income person access to programs/services), profitability could be seen as a roadblock to achieving the service goals and objectives.

Due to these factors, municipalities tend to only experiment in parks, recreation, and cultural service privatization. The areas of privatization tend to be limited to areas where profits are possible (e.g. such as food/bar services); where employing full-time expertise is not cost effective because of the size of the organization (e.g. maintenance and program instructor specializations); and where the municipality does not believe it appropriate to offer the service in competition with the private sector (e.g. fitness centres).

c. Not-for-Profit (NFP) Entities (i.e. Societies & Non Profit Companies)

Relevant Case Studies – Tri-Leisure Facility Corporation, Athabasca Regional Multiplex Society, and Portage Regional Recreation Authority

Advantages

The idea of an NFP operating municipal recreation services is not new. NFPs have long been used in smaller or rural communities as a means to partner with other neighbouring municipalities, to utilize and get input from volunteers, to provide services that may not otherwise be possible for smaller governments, and/or to reduce net operating costs. In larger municipalities, NFPs exist in the operation of neighbourhood recreation and community centres. The rationale for service delivery with an NFP is similar to that of community run

operations, such as golf clubs, curling clubs, minor hockey associations, and agricultural societies. If passionate community members and stakeholders are the most desirable and cost effective mechanisms for service delivery and governance, why not have them oversee Parks, Recreation, and Cultural services funded by municipalities? NFPs tend to have access to a wider stream of revenue sources, such as grants from foundations, other levels of government, private corporations and individuals. They are often times seen as a means for reducing the politicization of recreation and cultural issues by making them arms-length from the debate and discussions of the Council chambers. NFPs generally attract greater levels of community participation in comparison with the other models because of their assigned decision-making authority and responsibility, and are seen to have the ability to "make things happen."

In recent years, there does appear to be a growing trend in municipalities utilizing not-for-profit entities in this manner. Examples of this can be seen across western Canada, with the Athabasca Regional Recreation Multiplex, Bonnyville Centennial Centre, Trans Alta Tri-Leisure Centre, West Shore Parks and Recreation Society, Portage Regional Recreation Authority, and Dauphin Recreation Commission to name a only a few.

Disadvantages

Despite some the benefits of the NFP governance model, there are several considerations that may deter a municipality from pursuing it. Percentage of funds used for administrative expenses may increase to offset the costs associated to a more engaged board (i.e. honoraria, training / travel costs). A not-for-profit does not have the same GST exempt status that a municipal committee or organization enjoys and, as such, would experience rise in costs related to GST. An NFP that is relatively arms-length from a municipality may not have the same access to municipal expertise and resources, such as legal, IT, marketing, HR, finance support, and interdepartmental cooperation (for example between recreation, public works and parks). These too could lead to increased overall administrative costs. This model may also lead to increased potential conflict between the NFP and the Municipal Council, as the NFP makes decisions that reinforce its autonomy but intentionally or unintentionally put it in conflict with the Municipal Council's vision and direction.

d. Special Government Agencies

Relevant Case Study – Parks and Recreation Commission: Parish of East Baton Rouge (aka BREC)

The desire for regional partnerships can also sometimes be a feasible governance alternative to NFPs if provisions are provided in provincial or state legislation. A primary example of this is that of regional service commissions in Alberta (e.g. a Regional Water Commission).

In the United States, a similar regional commission structure is used to create special districts under state law. The one unique difference for special districts is that they can have the power to tax (in addition to charging user fees, acquiring grants and donations, and using a public foundation). BREC is one such public body special district in the state of Louisiana where its sole purpose is to operate Parks and Recreation for the region. The City of Baton Rouge and

Parish also have an amalgamated government, which paved the way for the creation of BREC. BREC is similar to a NFP in that it has an independent board of governors. Although BREC board members are primarily appointed by the regional Metro Council government, these special district board members can be elected and/or appointed (depending on the public body bylaws and governing legislation).

e. General Comparisons of the Models

An in-depth analysis of the four models is slated as phase 2 of this project. However, for the purpose of better understanding the key differences between the four models presented, a brief evaluation of a handful of comparators is provided below.

It should be understood that these comments are made as generalizations of the models and are not a reflection of a specific model currently in place in Brazeau County, Drayton Valley or another community.

a. Access to foundations, corporate sponsorship, and grants

An advisory board looking to increase its revenue streams by accessing funds from foundations, corporations or private individuals may find itself slightly disadvantaged in comparison with not-for-profit (NPF) organizations, which can often access a wide variety of funding sources because of their independence from a Municipal Council. At the same time, they have greater advantage than for-profit corporations or regional government bodies, which are less likely to receive any funding or granting from foundations and organizations because of their profit generating focus, or because they are seen as government and therefore able to generate revenues through taxation.

b. Regional participation and cost sharing

It is difficult to state which model of providing recreation and cultural services would generate the greatest regional collaboration, participation and support for cost sharing. One could argue that an advisory board model is the most community-based and. Therefore. the most likely to receive wider support and be able to fairly identify true costs of service delivery. Others might argue that a for-profit model, because of its very nature, has a better accounting of true costs and consequently provides a better foundation for cost sharing of expenses. And yet another might argue that a regional government approach to the delivery of recreation and cultural services is the best form of regional participation and cost sharing, as those officials are the communities elected representatives and have been mandated to provide clear governance to the issue on a regional basis.

c. Operating and Capital Budget

Each of the models will be challenged with finding cost-effective and efficient operating and capital budgets. It is important to ensure they are charging competitive fees that allow users to access their programs and services, while also making certain their operating and capital costs

(including lifecycle replacement) are covered. The for-profit model is likely to provide the "truest" reflection of the costs of delivering recreational and cultural programs, services and assets, as it is expected by definition to generate a profit in its operations without subsidy from the tax base. In reality, there are few recreation models that actually generate revenue in operations and they are typically limited to multipurpose facilities that are able to generate enough traffic, often through density of surrounding communities, to keep their facility full. Even in these circumstances, it is often not the rental of the arena or sports fields in the facility that generates the base revenue but memberships, for things such as the fitness centre, that provide a steady revenue stream.

Of the four models, the regional government and NPF are likely to have the highest administrative costs, with the advisory board and for-profit corporation following. Higher administrative costs are generally associated with the governance functions of the regional and NPF model.

d. Entrepreneurialism

Right or wrong, municipalities are often called on to be more entrepreneurial in their approach to service delivery, revenue generation and cost cutting. This is generally interpreted to mean that government operations are not creative in looking for new revenue sources or providing services that people "actually want," and are unwilling to undertake the required cost cutting measures. While there are those who would argue these various points, if this perspective were accepted, the for-profit and the not-for-profit model would provide the best framework for expressing the entrepreneurial spirit because the incentives for undertaking change, the reward for the risk, are the greatest.

e. Decreasing duplication of processes

Parks, recreation, and cultural services can entail a significant portion of municipal time, energy, and staffing. Removing direct delivery and oversight of the service can alleviate the workload on CAO, finance, HR, Council, and related areas. While finance and HR functions are still required by the NFP, duplication of work and processes can sometimes be eliminated to the benefit of the municipality. This would hold true for the for-profit corporation as well.

f. Increased Community Participation and Consultation

Of all the models explored, the NFPs provides the most attractive model for community participation because they have legitimate decision-making authority and responsibility, while still representing the community interest. The for-profit model, while having to be cognizant of the community need, is only so because of its potential translation into increased revenue for the corporation and not because of a sincere desire to engage community. The advisory board typically representative of the community often lacks the authority to act and make decisions based on its own consciousness and interpretation of the best interests of the community. While regional governments can claim to be representative of the people, because their membership is made up of those elected by the people, the motivations behind their

decisions and actions are often questioned and the process of decision-making does not generally include community engagement.

g. Politicizing of Services

Community services are often targeted areas for public controversy and political criticism due to the fact that policies, projects, and spending are often considered discretionary. While criticism can never be avoided (particularly in relation to funding capital), community members and stakeholders are generally more supportive and less likely to criticize and attack the work of volunteer board members and NFPs.

h. Volunteerism Challenges

Volunteerism is on the decline across the country. Even with the attraction of being a part of something important to the community (such as a Parks, Recreation, and Cultural NFP), the concern of attracting and retaining the desired volunteer contributions always exists. In municipal partnerships, this concern is often reduced by involving Municipal Council members, school board representatives, and other stakeholder. Another way to counter this concern and create efficiencies is to amalgamate or combine societies with similar mandates (e.g. FCSS, Adult Learning, Golf Courses, etc.). There may be opportunities in the community to explore in an effort to gain efficiencies.

Another key factor in minimizing volunteerism burnout is that, unlike many other volunteer organizations and community groups, an NFP would benefit from the support of a professional team of staff. Paid staff can provide leadership, advice, research, grant/event administration, and coordination of volunteer efforts to ease the overall commitment of the board.

i. Desire to Retain Control

Municipal Councils are sometimes reluctant to relinquish control and share in the delivery of parks, recreation, and cultural facilities and services. After all, these facilities and services significantly impact quality of life, economic development, and the overall vision of a community. Furthermore, how can one be sure that services are going to be provided as, or more, efficiently? The regional government, and advisory board models, provided the greatest degree of oversight and influence to the Municipal Councils in comparison to the NFP or for-profit models.